



A Better Place for All

DR NKOSAZANA DLAMINI ZUMA LOCAL MUNICIPALITY
ANNUAL REPORT FOR 2023/24 FINANCIAL YEAR

This Annual Performance Report is drafted in terms of Section 46 of the Municipal Systems Act, 32 of 2000. The Annual Report 2023/24 is reported and assessed performance information as per the approved Framework on Performance Management for the Dr. Nkosazana Dlamini Zuma Local Municipality. This report, together with the Annual Financial Statements will be audited by the Internal Audit Unit and the Auditor-General (AG) of South Africa.

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Accountability documents	Documents used by executive authorities to give “full and regular” reports on the matters under their control to Parliament and provincial legislatures as prescribed by the Constitution. This includes plans, budgets, in-year and Annual Reports.
Activities	The processes or actions that use a range of inputs to produce the desired outputs and ultimately outcomes. In essence, activities describe "what we do".
Annual Report	A report to be prepared and submitted annually based on the regulations set out in Section 121 of the Municipal Finance Management Act. Such a report must include annual financial statements as submitted to and approved by the Auditor-General.
Approved Budget	The annual financial statements of a municipality as audited by the Auditor General and approved by council or a provincial or national executive.
DR NDZ LM	Dr Nkosazana Dlamini- Zuma Local Municipality
AR	Annual Report
Baseline	Current level of performance that a municipality aims to improve when setting performance targets. The baseline relates to the level of performance recorded in a year prior to the planning period.
Basic municipal service	A municipal service that is necessary to ensure an acceptable and reasonable quality of life to citizens within that particular area. If not provided it may endanger the public health and safety or the environment.
Budget year	The financial year for which an annual budget is to be approved – means a year ending on 30 June.
DBSA	Development Bank of Southern Africa
DoT	Department of Transport
Cogta	Department of Cooperative Governance and Traditional Affairs
EXCO	Executive Committee
F/Y	Financial Year

Financial Statements	Includes at least a statement of financial position, statement of financial performance, cash-flow statement, notes to these statements and any other statements that may be prescribed.
General Key performance indicators	After consultation with MECs for local government, the Minister may prescribe general key performance indicators that are appropriate and applicable to local government generally
GRAP	Generally Recognized Accounting Practice
HR	Human Resources
IDP	Integrated Development Plan
DDM	District Development Model
IGR	Inter-Governmental Relations
LED	Local Economic Development
LGSETA	Local Government Sector Education and Training Authority
MDG	Millennium Development Goals
MFMA	Municipal Finance Management Act
MSA	Municipal Systems Act, 32 of 2000
MTAS	Municipal Turn Around Strategy
NTP	National Transferee Programme
PMS	Performance Management System
RPMS	Regulatory Performance Management Systems
SDL	Skills Development Levy
HGDM	Harry Gwala District Municipality
VAT	Value Added Tax
WSP	Workplace Skills Plan
GBV	Gender Based Violence

Table 1

CHAPTER 1

1.1 Mayor's Foreword

Warmly greetings to the people of Dr. Nkosazana Dlamini Zuma Local Municipality. Allow me to present the Municipality's Annual Report for the financial year 2023/2024 as mandated by Local Government Municipal Systems Act of 2003. As a mandate from the voters of Dr. Nkosazana Dlamini Zuma Local Municipality, our primary objective is to ensure that the lives of our people change for the better. Goal number one from the 17 Sustainable Developmental Goals (SDG) from United Nations talks about ending poverty, which is still troubling our people, particularly in Africa. As we are concluding the third year in office I am more confident that the path we have set ourselves as this Council is promising to be the successful one bearing in mind that more is still need to be done for the betterment of our people. It is imperative for Dr. Nkosazana Dlamini Zuma Local Municipality to redirect it's focus on economic development and job creation. Through our own Local Economic Development Unit, we have started to forge strategic partnerships with other municipalities that are excelling in attracting investors on tourism and agriculture. We have moved a step further on this matter by engaging directly with investors who visited all the identified areas for development of tourism. Our partnership with Mokgotlong District in Lesotho is starting to take positive direction and very soon we will be making profound announcements.

The 2021-2026 Council term is almost three years old, and we have seen major improvements in terms of service delivery. We have successfully handed Ntokozweni Access Road which is fully concrete in Ward 10 Bulwer. We are almost done with other tarred roads namely: Thomas Street in Ward 02 which was rehabilitated. Our plan is to ensure that we reduce gravel roads in Dr. Nkosazana Dlamini Zuma Local Municipality. We are also pushing our officials to ensure that our Labour-Intensive Construction roads are completed. The Creighton Sportfield has been constructed during this financial year with eight running tracks, artificial grass, high-mast lights, the outdoor gym, a netball and tennis court. Fifty OSS houses are currently in a planning stage and will be constructed in each ward in the upcoming years. The municipality continues to change people's lives by recruiting 271 EPWP workers in the programme.

We were also pleased to receive Unqualified Audit Opinion from the Auditor General for the financial year 2023/2024 There were few matters of emphasis from the Auditor General and the Municipal Manager was tasked to see the end of those emphasis:

- Material amendments to Financial statements section s122(1) of the MFMA.
- Reasonable steps not taken to prevent and manage UIFWE.
- Inaccurate reporting and material misstatements in the annual performance report basic service delivery and infrastructure development
PWBS 14 – Number of households with access to solid waste removal
- Performance indicators not well-defined and verifiable.
PWBS 19 – Number of municipal towns infrastructure upgraded to enhance economic development

The stable administration is a cornerstone in every institution. I am satisfied about the fact that all critical positions i.e. Senior Managers have been filled.

I am pleased to say that they are settling well into their new respecting responsibilities and will improve the municipality's vision with their fresh and innovate ideas.

I must end by thanking all Councillors, Management, and staff for making sure that the municipality is functional and is going in the right direction. We hope that the upcoming years will bring all the necessary needs for the upliftment of Dr. Nkosazana Dlamini Zuma Local Municipality. I Thank You.

Her Worship Cllr PS Msomi
Mayor DR NDZ Local Municipality

1.2 MUNICIPAL MANAGER'S OVERVIEW

May I extend a warm welcome to the residents of Dr. Nkosazana Dlamini Zuma Local Municipality. Once again, we find ourselves at that time of the year when we must reflect on the actions, we've taken to address the needs of our community, as outlined in our Integrated Development Plan (IDP). In May 2023, the Dr. Nkosazana Dlamini Zuma Municipal Council approved the revised IDP, which included updated development goals for the municipality. Both the political and administrative branches of our government committed to implementing these community needs collaboratively. As the Accounting Officer, it is my responsibility to oversee the execution of all Council decisions and to provide them with sound advice for informed decisions that will positively impact the lives of Dr. NDZ LM residents.

We warmly welcomed the new Senior Manager: Community and Social Services: Ms KG Mchunu and Senior Manager: Public Works and Basic Services, both of whom fill these significant gaps in our organizational structure in our senior management team.

Chapter 13 of the National Development Plan emphasizes the importance of building a capable state, with leadership being a crucial component of this capability. The Council's fundamental responsibility is to ensure that this capable state is achieved through efficient service delivery to our citizens. This places the Accounting Officer at the forefront of assisting the Council in achieving this objective. A key element of this effort is to ensure that all managers provide strong technical support to the Council while upholding high standards of work ethics and eliminating any instances of employee laziness. While we have received an unqualified Audit Opinion from the Auditor General, we acknowledge that we have been stagnant for the past eight years and we continue to aim for a clean audit opinion from AG.

Nonetheless, we are actively addressing the matters of emphasis raised by the Auditor General. All managers have been tasked with preventing irregular and wasteful expenditure, financial misconduct, corruption, malfeasance, and excessive spending on luxury items. Our Local Economic Development (LED) initiatives within the municipality play a pivotal role in realizing the governing party's resolution on Radical Socio-Economic Transformation.

The development of an LED Strategy tailored to the needs of Dr. NDZ LM's citizens has been completed, and now the municipality must focus on its robust implementation, with Councillors prepared to provide oversight. It is also the responsibility of the Accounting Officer to ensure organizational transformation through workforce skills development. Accordingly, our Corporate Services Department, through our Workplace Skills Development Programme (WSP), has provided training to staff and Councillors in various educational skills. In conclusion, I would like to express my gratitude to the Mayor, Deputy Mayor, Speaker, and the entire Council for their support as we work towards implementing and being accountable for Council decisions. I also extend my appreciation to the management and staff for their hard work in building the reputation of Dr. Nkosazana Dlamini Zuma Local Municipality in various government spheres. The contributions of Council Committees, Amakhosi, and community structures in meeting the needs of our community are highly valued.

As I continue to serve this municipality, I am committed to ensuring that accountability, transformation, monitoring, and evaluation are principles upheld by every employee of Dr. Nkosazana Dlamini Zuma Local Municipality.

Yours in Service Delivery

Mr. NC Vezi

Municipal Manager: Dr. NDZ Local Municipality

1.3 MUNICIPAL FUNCTIONS, POPULATION AND ENVIRONMENTAL OVERVIEW

Municipal Functions

Dr. Nkosazana Dlamini Zuma Local Municipality Local Municipality has the function and powers assigned to it in terms of sections 156 and 229 of the Constitution of the Republic of South Africa. The Municipal Structures Act of 1998 makes provision for the division of powers and functions between the district and local municipalities. It assigns the day-to-day service delivery functions to the local municipalities. The Provincial MECs are empowered to adjust these powers and functions according to the capacity of the municipalities to deliver services. Regarding the above statement for instance, the function of Water and Sanitation as well as the maintenance of water infrastructure is the function of the district municipality. Whilst the Local Municipality is responsible for day-to-day Planning, it is also in liaison with the District for advice and support. Amongst other things the powers and functions of the municipalities are as indicated in the table below.

DR NKOSAZANA DLAMINI ZUMA LOCAL MUNICIPALITY FUNCTIONS	• DISTRICT FUNCTIONS	SHARED SERVICES
<ul style="list-style-type: none"> • Building Regulations • Pontoons, Ferries, Jetties, Piers, and Harbors • Storm Water Management Systems in Built up Areas • Trading Regulations • Billboards and the Display of Advertisements in Public Places • Cleansing • Control of Public Nuisances • Street Lighting • Traffic and Parking • Control of Undertakings that sell Liquor to the Public • Facilities for the accommodation, care and burial of animals • Fences and Fencing • Licensing and Control of Undertakings that sell food to the public • Local Amenities • Local Sport Facilities 	<ul style="list-style-type: none"> • Municipal Health Services • Water and Sanitation services • Air Quality Management 	<ul style="list-style-type: none"> • Fire Fighting Services • Local Tourism • Municipal Airports • Municipal Public Transport • Cemeteries, Funeral Parlours and Crematoria • Markets • Municipal Abattoirs • Refuse Removal, Refuse Dumps Waste • Disaster Management services

Table 2

1.4 MUNICIPAL FUNCTIONS, POPULATION AND ENVIRONMENTAL OVERVIEW

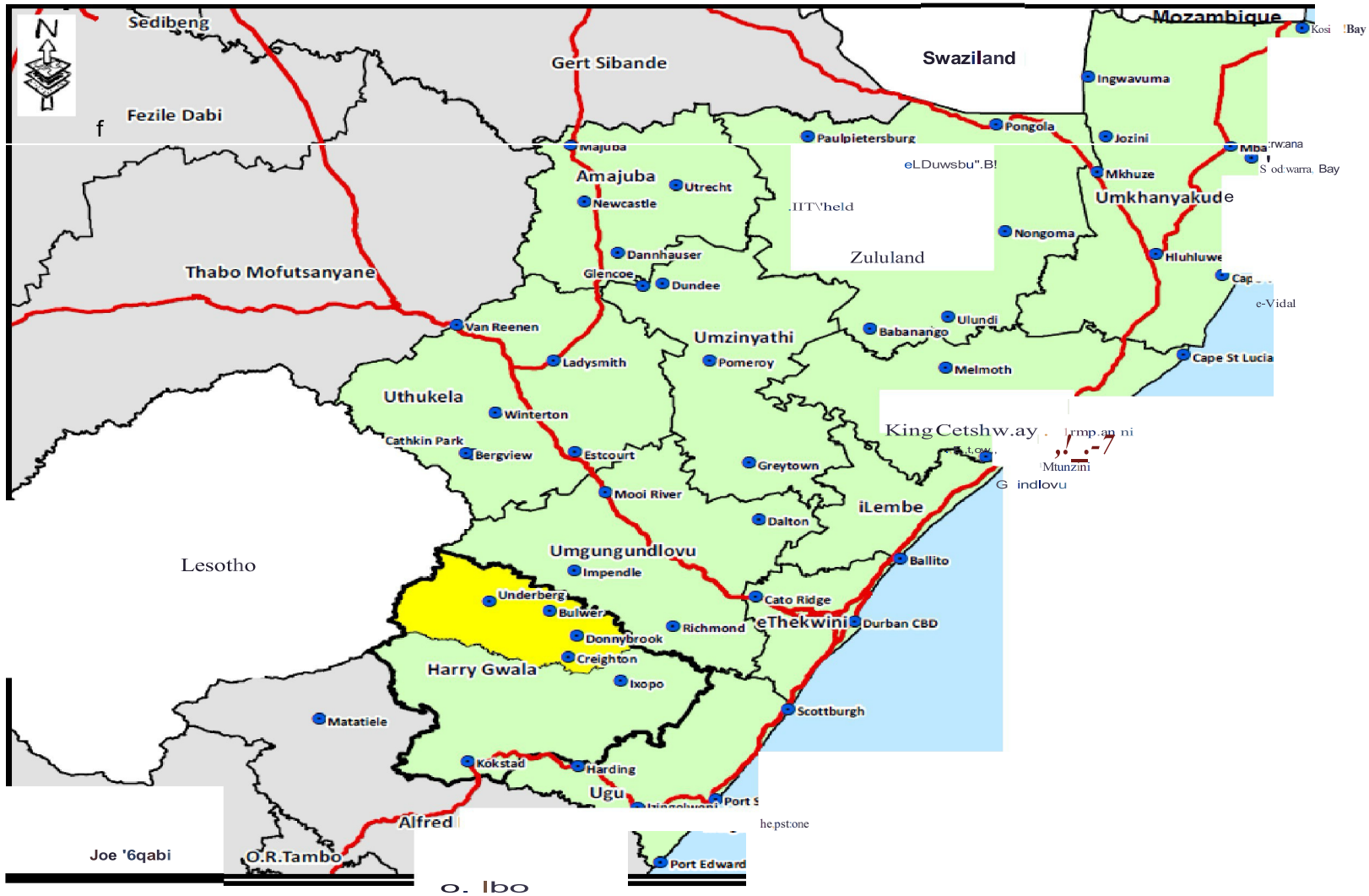
INTRODUCTION TO BACKGROUND DATA

The Dr. Nkosazana Dlamini Zuma Local Municipality (KZ436) (Dr. NDZ LM) is a Category B municipality which is situated on the southern part of Harry Gwala District Municipality (HGDM), the fourth largest district municipality in KwaZulu-Natal. The Local municipalities within HGDM include:

1. Dr. Nkosazana Dlamini-Zuma Local Municipality
2. UMzimkhulu Local Municipality
3. Ubuhlebezwe Local Municipality
4. Greater Kokstad Local Municipality

Dr. NDZ LM is the largest municipality of the four local municipalities in the district in terms of its geographic area but deemed the second largest municipality in the district in terms of population size. The municipality was established after the August 2016 local government elections. It followed a gazette merger between Ingwe and Kwa Sani local municipalities. It is located approximately 176 km north-east of Kokstad and 80 km south-west of Pietermaritzburg, the capital city of the Province. It is bordered by Impendle Municipality to the north, Richmond Municipality to the north-east, Ubuhlebezwe Municipality to the south-east, Greater Kokstad Municipality to the south and Kingdom of Lesotho to the west. The municipality fulfils the role of being the administrative and commercial center for the district. The rest of the municipal area consists of tribal lands, which dominate the area. The municipality is known for the World Heritage Site of UKhahlamba.

Map 1: Spatial Location of the Municipality



□ Lab Smu
 Political Boundaries - MOB
 Roads - KZN Dept. of Transport
 Towns-MDB
 Settlement Cluster IbtJ1- Dept. (i)RDLR
 Homesteads - E-si.com
 Cons@fA-Station Areas - LEIKZN Wildlife
 Traditional Council Areas - IC,OGTA

Regional Context

WG:S. Harlebs,cahook

• Main Towns	Harry Gwala District Municipality	Indian Ocean
- National Roads	ILM Boundary	



1.5 The structure of the municipality

There are 15 wards with 29 Councillors, 15 Ward Councillors and 14 PR Councillors. In addition to this, the areas of Thunzi, Ngqiya, Ridge and Stepmore have been reincorporated from Impendle. The extent of the municipality's geographic coverage is estimated at 3200sq kms.

Settlements and communities under the leadership of Traditional Councils account for a higher proportion compared to non-aligned communities. There are 11 Traditional Councils (TC) namely:

1. Amakhuze TC
2. Amangwane TC
3. Batlokoa TC
4. Bhidla TC
5. Isibonelo esihle TC
6. Macala Gwala TC
7. Madzikane Bhaca TC
8. Maguzwana TC
9. Sizanani TC
10. Vezakuhle TC
11. Zashuke TC

1.6 THE MUNICIPAL VISION AND MISSION

The following vision and mission statement for Dr. Nkosazana Dlamini Zuma Local Municipality were reviewed at a strategic planning session in December 2021 with the new Council that was sworn in November 2021 where there was an active participation of both the political and administrative components of the municipality. The vision commits the municipality to sustainable, integrated, equitable and effective development through the 5th Generation IDP.

Vision

To be a responsive quality service provider by 2030.

Mission

Dr. Nkosazana Dlamini Zuma Local Municipality will provide quality sustainable basic services, promote tourism, agriculture, good governance, community involvement, economic investment and protect the environment in its affairs.

CORE VALUES

- Integrity
- Professionalism
- Accountability
- Efficiency
- Compassion
- Value-for-money
- Transparency

The above defined long term of a strategic framework that addresses the objectives and strategies of the municipality. The objectives and strategies are aligned to the national and provincial guidelines. This defines the precedent upon which the local municipality looks to create an integrated social-spatial system underlined by an enabling environment that incorporates the various key development sectors including infrastructure and service delivery, agriculture, tourism, commerce and trade.

ALIGNMENT OF THE MUNICIPAL IDP WITH THE NATIONAL DEVELOPMENT PLAN (VISION 2030)

The primary purpose of National Development Plan (NDP) is to improve service delivery for citizens of South Africa, whilst integrating national, provincial and local policies and programmes into a single, target orientated and long term-based plan. In this plan, a collective approach of improving the lives of the citizens is applied, and communities themselves have a role to play in this regard. The table below indicates the municipality's strategies/ objectives in terms of ensuring the implementation of the National Development Plan.

1.7 Demographic profile

The following table provides a summary of the population composition of Dr Nkosazana Dlamini-Zuma Local Municipality:

OVERALL POPULATION BREAKDOWN

Dr. Nkosazana Dlamini Zuma Local Municipality is the second largest LM in the District in terms of population, which resulted from the merger of KwaSani Local Municipality and Ingwe Local Municipality. It is composed of a total population of 128565 as indicated in table below (Stats SA, community survey 2022). Dr. Nkosazana Dlamini-Zuma Local Municipality is a predominantly rural municipality with five main towns within its boundaries; these include Creighton, Bulwer, Donnybrook, Underberg and Himeville (KwaSani IDP, 2015/16; KZN 436 IDP, 2015/16).

The most spoken language in the Local Municipality is IsiZulu. In addition, the Dr. Nkosazana Dlamini-Zuma Local Municipality is a predominantly rural municipality with a relatively high agricultural potential. However, there is decline in some agricultural activities, such as subsistence farming that has been reduced to small-scale food gardens. Agricultural activities are impacted by a lack of external markets and access to infrastructure available to rural municipalities. This limits the municipality from exploring available economic opportunities in agriculture (KwaSani IDP, 2015/16).

The settlements within the Dr. Nkosazana Dlamini-Zuma Local Municipality owe their particular morphology to apartheid spatial engineering and the associated restriction on urban housing opportunities and access to commercial agricultural land. This being noted, these rural townships are not without economic potential both in terms of agricultural production and tourism sector developments and services (KwaSani, 2015/16; KZN 436 IDP, 2015/16).

Table 1: Demographics for Dr. Nkosazana Dlamini-Zuma Local Municipality (Stats SA 2016 Community Survey)

2022 DEMOGRAPHICS BY STATS-SA

DEPENDANCY RATIO: GROUPS

The table below presents the dependency ratio in the Dr Nkosazana Dlamini-Zuma Local Municipality. The figures below indicate that ages 15-64 have a high dependency ratio compared to the other ages; this implies that this population is dependent on the working class. The overall dependency ratio in the municipality is 64.91, as many people are also dependent on government to supply basic services. The majority of the population consists of youth therefore, the municipality should ensure that the growing population are accommodated and catered for.

Table : Age in completed years by Province, District and Municipality

Age	Dr. Nkosazana Dlamini Zuma Local Municipality	Harry Gwala
0 - 14	42 188	188876
15 - 64	77 960	340967
65+	8 418	34050
Dependency Ratio	64.91	

Table 3

POPULATION BY SEX GROWTH RATE – GENDER RATE

The table below presents the Dr. Nkosazana Dlamini Zuma Local Municipality population by gender. As illustrated, females account a higher amount in the population. According to statistics acquired from the KZN Census 2022, the NDZ Local Municipality has a total number of 60873 males and 67692 females. This indicates a significant amount of growth in the population, as compared to the KZN Census 2016, with females accounting for 52.65% of the population and male population at 47.34% (KZN Census 2022).

Table : Sex for population, Dr Nkosazana Dlamini Zuma Local Municipality

	Census 2016	Census 2022	Growth rate	Sex Ratio per 100 Females
Male	56 732	60 873	1.37	89.9
Female	61 748	67 692	1.81	
Dr NDZ LM	118 480	128 565	1.6	

Table 4

GENDER OF THE HEAD OF HOUSEHOLD

The table below illustrates the NDZ Local Municipality household population by sex of the head of household. The table indicates that the female population accounts for 56.8% of the total population of head of households and, male population 43.2%. These figures indicate that females lead most households under the NDZ municipality. The average household size under the municipality is 5.04.

Table 5: Sex of the Head of household for household population

	Male	Female	Total
HH	11 016	14 509	25 525
%	43.2	56.8	100
Average Household Size	5.04		

DWELLING UNIT OWNERSHIP

The table below illustrates the NDZ Local Municipality tenure status for household population (Dwellings Unit Ownership). The table indicates that households that are owned and fully paid account for the higher percentage of the population.

Table : 6 Tenure status for Household population

	Households
Rented from private individual	2 494
Rented from other (including municipality and social housing)	115
Owned but not yet fully paid off	1 133
Owned and fully paid off	9 237
Occupied rent-free	7 374
Other	957
Do not know	88
Not applicable	-
Unspecified	4 127
Total	25 525

MARITAL STATUS

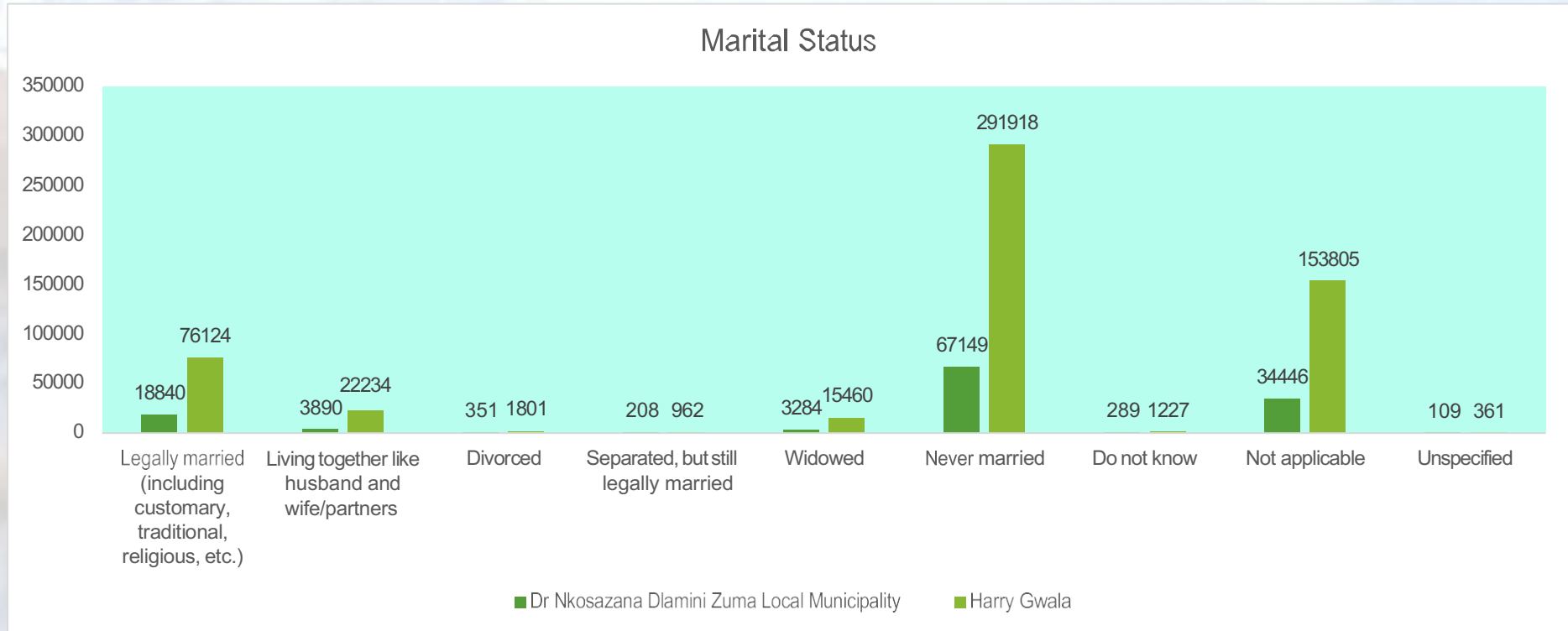
The table below illustrates the Dr. NDZ Local Municipality population by marital status. The population indicates a significant growth compared to the KZN Census 2016, which indicates that the fertility rate of the municipality is high and above population. As indicated, the majority of the population is accounted by those that were never married, with 52.22% of the total population.

Table : 7 Marital status by Province, District and Municipality

	Dr Nkosazana Dlamini Zuma Local Municipality	Harry Gwala
Legally married (including customary, traditional, religious, etc.)	18 840	76 124
Living together like husband and wife/partners	3 890	22 234
Divorced	351	1 801
Separated, but still legally married	208	962
Widowed	3 284	15 460
Never married	67 149	291 918
Do not know	289	1 227
Not applicable	34 446	153 805
Unspecified	109	361
Total	128 565	563 893

The figure illustrates the comparison between the marital statuses of the Dr. Nkosazana Dlamini Zuma Municipality and the Harry Gwala District Municipality

Figure 1: Marital Status



RDP SUBSIDISED DWELLINGS

The table below illustrates the Dr. Nkosazana Dlamini Zuma Local Municipality population by RDP subsidized dwellings.

Table 8: RDP/government subsidized dwelling

Yes	3224
No	18124
Do not know	52
Not applicable	-
Unspecified	4126
Total	25 525

ENERGY FOR COOKING

The table below illustrates the comparison between the various types of energy for cooking. According to the statistics provided by the KZN Census 2022, electricity accounts for 49.34% of the population and is the highest.

Table 9: Energy for Cooking

	Electricity	Gas	Paraffin	Wood	Coal	Animal dung	Solar	Other	None	Total
Harry Gwala	60,26%	17,09%	1,84%	20,49%	0,06%	0,01%	0,06%	0,06%	0,12%	100,00%
Greater Kokstad	72,52%	18,78%	3,60%	4,74%	0,03%	0,01%	0,05%	0,14%	0,14%	100,00%
Ubuhlebezwe	55,73%	15,54%	3,00%	25,41%	0,10%	0,01%	0,00%	0,04%	0,17%	100,00%
Umzimkhulu	63,29%	16,40%	0,93%	19,05%	0,04%	0,01%	0,12%	0,06%	0,10%	100,00%
Dr. Nkosazana Dlamini Zuma	49,34%	18,32%	0,49%	31,65%	0,06%	0,02%	0,01%	0,03%	0,09%	100,00%

REFUSE DISPOSAL

According to the population, refuse disposal removed by local authorities/ private company/community members at least once a week, accounts for 23.06% of the population and is the highest.

Table 10

	Removed by local authority/private company/community members at least once a week	Removed by local authority/private company/community members less often	Communal refuse dump	Communal container/central collection point	Own refuse dump	Dump or leave rubbish anywhere (no rubbish disposal)	Other	Total
Harry Gwala	33,43%	0,86%	2,30%	2,97%	51,88%	5,23%	3,32%	100,00%
Greater Kokstad	77,55%	2,45%	1,92%	3,67%	10,65%	1,86%	1,90%	100,00%
Ubuhlebezwe	21,46%	0,18%	3,93%	1,18%	64,99%	7,11%	1,15%	100,00%
Umzimkhulu	22,99%	0,25%	1,53%	3,01%	59,84%	8,35%	4,04%	100,00%
Dr. Nkosazana Dlamini Zuma	23,06%	1,09%	2,15%	4,18%	62,39%	1,38%	5,74%	100,00%

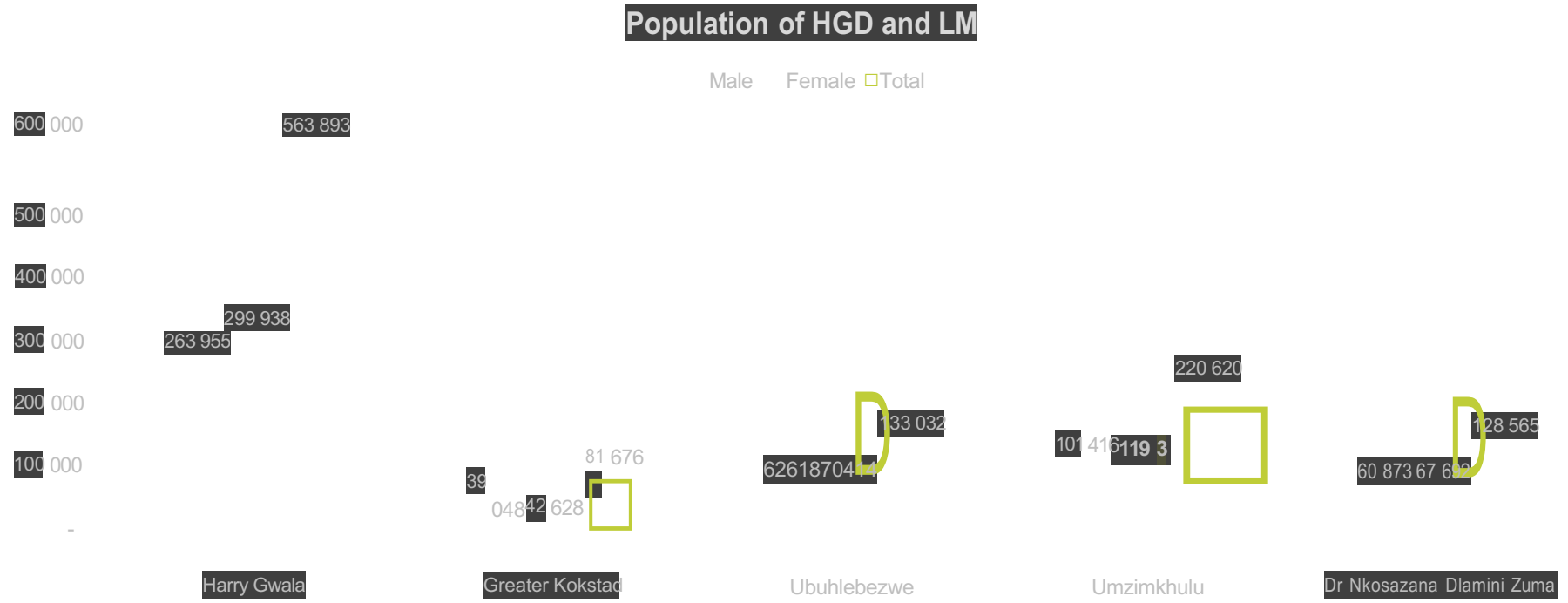
Table 11: Refuse Disposal**TOILET FACILITY**

The table below illustrates the population of various types of toilet facilities used across all municipalities under the Harry Gwala District Municipality.

Table 12: Toilet Facility

	Flush Toilet	Chemical Toilet	Pit Toilet	Bucket Toilet	Other	None	Total
Harry Gwala	37,12%	8,00%	47,51%	0,72%	4,09%	2,55%	100,00%
Greater Kokstad	79,45%	7,52%	9,62%	1,18%	1,08%	1,15%	100,00%
Ubhlebezwe	24,91%	8,80%	59,52%	0,49%	3,16%	3,12%	100,00%
Umzimkhulu	24,81%	6,83%	56,54%	0,72%	7,03%	4,07%	100,00%
Dr. Nkosazana Dlamini Zuma	31,53%	9,44%	54,51%	0,55%	3,13%	0,83%	100,00%

Figure 2 : Sex Group Population



POPULATION GROUP

	Black African	Coloured	Indian/Asian	White	Other	Unspecified	Total
Harry Gwala	96,18%	1,96%	0,34%	1,24%	0,25%	0,03%	100,00%
Greater Kokstad	86,94%	9,51%	0,84%	2,53%	0,16%	0,02%	100,00%
Ubuhlebezwe	96,89%	1,44%	0,56%	0,70%	0,40%	0,01%	100,00%
Umzimkhulu	99,09%	0,40%	0,12%	0,07%	0,26%	0,05%	100,00%
Dr Nkosazana Dlamini Zuma	96,30%	0,36%	0,19%	3,00%	0,13%	0,02%	100,00%

Table: 13

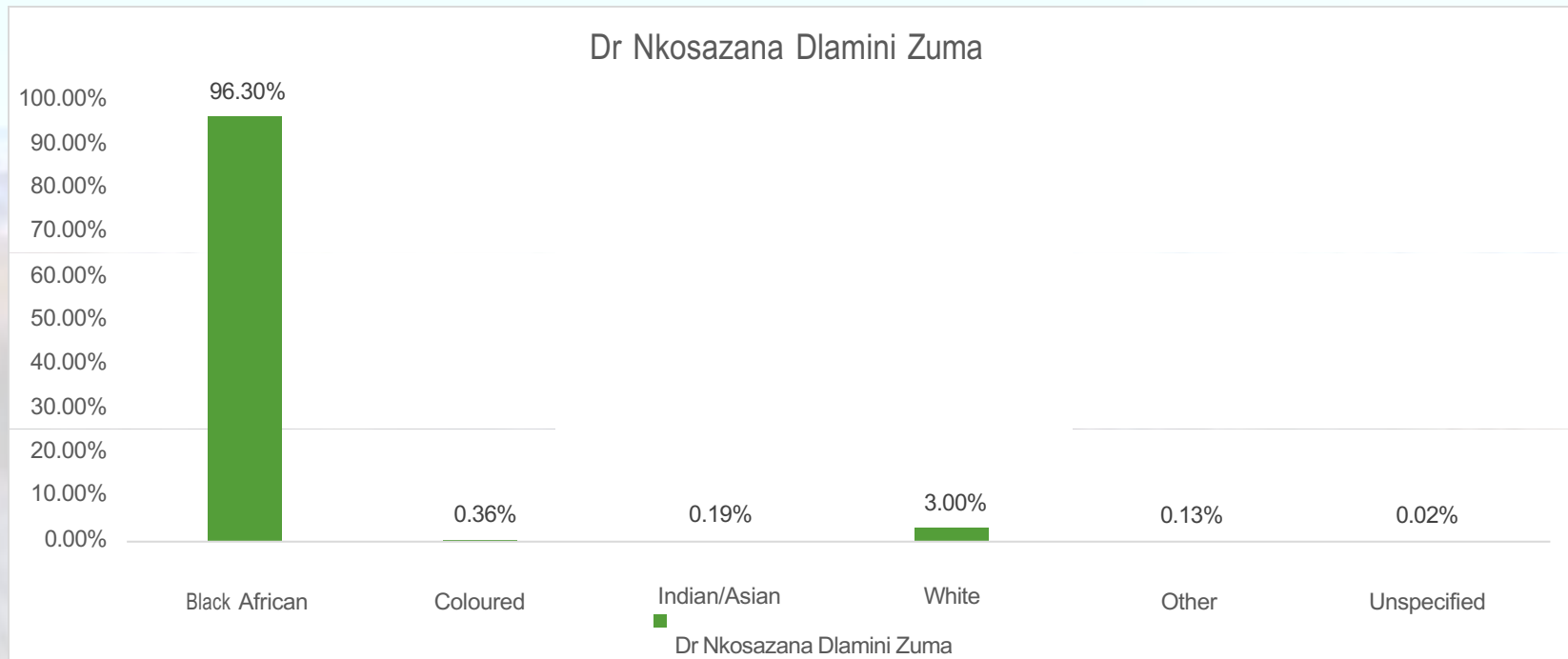


Figure: 3

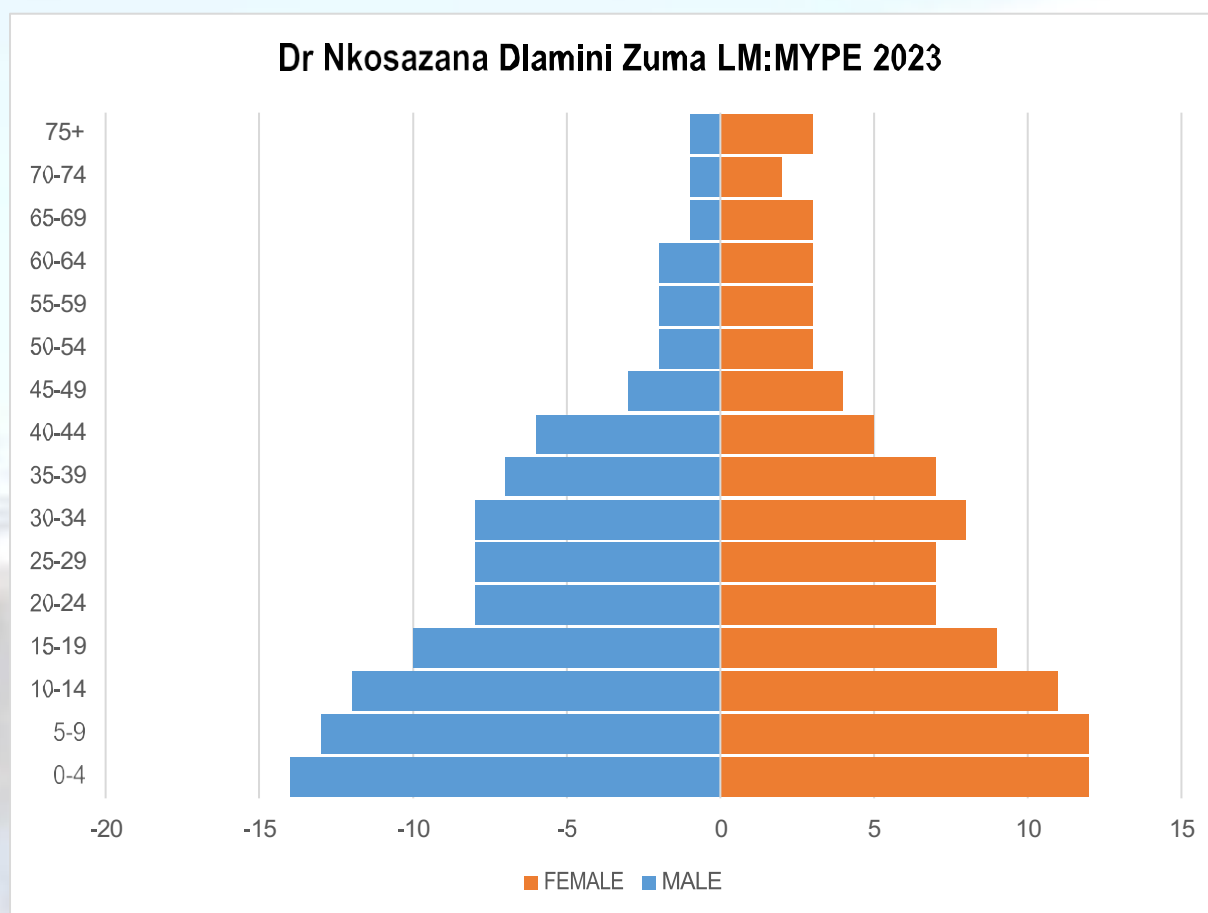


Fig 4

Source: Mid-Year Population Estimates 2023, STATS SA

Table 14

Nkosazana Dlamini Zuma: Mid-Year Population Estimates 2023		
AGE	MALE	FEMALE
0-4	7 761	7 451
5-9	7 429	7 445
10-14	6 778	6 428
15-19	5 621	5 172
20-24	4 160	4 272
25-29	4 481	4 578
30-34	4 153	4 871
35-39	3 937	4 560
40-44	2 468	3 112
45-49	1 617	2 245
50-54	1 346	1 847
55-59	1 161	1 773
60-64	1 043	1 997
65-69	689	1 700
70-74	534	1 328
75+	746	1 886
AGE	53 926	60 666

Source: Mid-Year Population Estimates 2023, STATS SA

The above young population age structure is characterized by high dependency ratio, high fertility depicted through high number of children representation in the above pyramid. It is imperative that planning in this LM prioritize investment in children and youth. Such investment incorporates high quality education, ECDs, healthcare programmes.

It is imperative that the LM cater for the needs of youth in order to retain them, and for youth to contribute positively to the LM economy, this encompass; education, economic/employment opportunities, health services including sexual reproductive health and rights services, sports, recreation services. All interventions must consider the importance of gender mainstreaming in their implementation. The pyramid also shows the trends of population aging and particularly elderly women, given this, it is important that services/ plans/programmes meet their basic needs, considering that in most cases they look after their grandchildren. The LM is predominantly rural and as such, it requires that intensive rural development programmes be also effectively implemented.

The challenge of **high dependency** in the LM is depicted both in the above Community Survey 2016 data 2023 MYPE population pyramid.

As the country and the province of KwaZulu-Natal embracing the phenomenon of Demographic Dividend, a call is for NDZ LM through various stakeholder intervention ensure that the status quo depicted in terms of dependency ratio is collectively addressed.

Table 15: Population Growth per 10 years

AREA		2011	2021	2031	2041	2051
Commercial Farms	2%	11652	13982	16779	20135	24162
Himeville, Cobham & Sani Pass	1%	4613	5074	5582	6140	6754
Underberg & BushMen's Nek	1%	6114	6725	7398	8138	8952
Amakhuze TA, Isibonelo Esihle TA, Madzikane Bhidla TA	-2%	29404	23523	18819	15055	12044
Sizanani TA	1%	10769	11846	13030	14334	15767
Bulwer, Bhidla TA (Portion)& Umacala Gwala TA	2%	10890	13068	15682	18818	22582
Zashuke TA & Bhidla TA (Portion)	0%	9658	9658	9658	9658	9658
Veza Kuhle TA, Qadi TA, Carthill, Eastworld Maxwell & Mabelana	1%	9989	10988	12087	13295	14625
Donnybrook and Comrie	0%	8956	8956	8956	8956	8956
Creighton, Mondli & Sizanani TA(2)	1%	8039	8843	9727	10700	11770
TOTAL		110 084	112664	117 717	125228	135268

A population forecast per area is based on the premise that some areas are likely to attract population more than the other areas. This is only based on a positive assumption whereby the

areas that have historically grew in population size are assumed to be the places that will still grow in the near future. However, such growth is limited to a maximum 2% per 10 years given the fact that the area mostly experiences decline as opposed to a positive growth. The areas with the population which remain stagnant during 2001 – 2011 has been given on 1% growth per 10 years while those that have experienced decline were allocated a 0% percentage growth per 10 years. The last aspect of this projections involves the areas whose population has been given a -2% decline per 10 years. This negative projection has been given to the remotely located rural settlements which are most likely to decline in the near future.

Table 16: Mid-Year Estimates Projections 2020-2024

	2020	2021	2022	2023	2024
KwaZulu-Natal	11 411 637	11 533 104	11 653 713	11 772 106	11 890 180
DC21: Ugu	813 460	824 612	835 788	847 341	859 347
DC22: Umgungundlovu	1 133 714	1 147 040	1 159 985	1 173 530	1 187 861
DC23: Uthukela	706 263	708 362	710 882	713 425	716 028
DC24:Umzinyathi	562 159	567 911	574 123	580 680	587 638
DC25: Amajuba	563 811	570 504	576 473	582 070	587 437
DC26: Zululand	862 184	866 025	870 883	875 889	881 099
DC27:Umkhanyakude	674 997	679 404	684 435	689 112	693 496
DC28: King Cetshwayo	963 681	968 420	973 726	978 921	984 079
DC29: iLembe	678 167	687 000	694 861	701 834	708 059
DC43: Harry Gwala	506 181	509 224	512 837	516 629	520 633
ETH:eThekwini	3 947 020	4 000 603	4 059 719	4 112 675	4 164 503

Table 17: Mid-Year District Projections by Gender 2020-2024

	2020		2021		2022		2023		2024	
	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
KwaZulu-Natal	5 445 771	5 965 866	5 508 437	6 024 757	5 569 465	6 084 248	5 629 556	6 142 550	5 689 950	6 200 230
DC21:Ugu	385 352	428 109	391 767	432 845	398 337	437 451	405 129	442 212	412 216	447 131
DC22:Umgungundlovu	537 436	596 277	543 638	603 402	549 666	610 319	555 969	617 561	562 675	625 186
DC23:Uthukela	332 400	373 863	333 890	374 472	335 591	375 291	337 307	376 118	339 075	376 953
DC24:Umzinyathi	251 526	310 633	254 636	313 275	258 091	316 032	261 656	319 024	265 371	322 267
DC25:Amajuba	270 282	293 529	273 543	296 961	276 482	299 991	279 227	302 843	281 866	305 571
DC26:Zululand	399 490	462 694	401 140	464 884	403 437	467 446	405 787	470 102	408 242	472 857
DC27:Umkhanyakude	303 652	371 345	305 479	373 925	307 613	376 823	309 558	379 554	311 367	382 130
DC28:King Cetshwayo	447 723	515 958	449 414	519 006	451 327	522 398	453 225	525 696	455 177	528 902
DC29:iLembe	321 865	356 301	326 279	360 721	330 032	364 829	333 347	368 487	336 324	371 735
DC43:Harry Gwala	232 645	273 536	233 925	275 299	235 691	277 147	237 499	279 131	239 375	281 258

1.8 ANALYSIS OF DEMOGRAPHICS

This population statistic gives a clear picture of how the municipality's growth in terms of its population. The broad base of the stats means the majority of population lies between ages 0–14, which tells us that the fertility rate of the municipality is high and above population.

The older population is declining over time due to a shorter life expectancy of sixty years. However, there are still more females than males in these ranges since women have a longer life expectancy. A number of studies reveals that women tend to live longer than men because women do not partake in risky behaviors.

This then means that the municipality should put more resources/ projects for females in the near future. The municipality is having a high dependency ratio which is 86.6 as many people are dependent on government to supply basic services. Therefore, this implies the importance of the municipality shifting its planning for service delivery to focus on the municipality's larger population i.e. 0-4 and 15-19 age groups. This further means that then more schools, industrial hubs, multi-purpose centers, health facilities should be prioritized in future by the municipality and other government institutions.

CONCLUSION

The Municipality is relatively well positioned for the exploitation of nature-based tourism, trade with Lesotho and production of seed potatoes and maize. The natural resource of the municipality comprises of scenic mountains, rare species, such as blue crane, rivers, wetlands and the UKhahlamba Drakensberg World Heritage Site. The Sani Pass provides a linkage with the Lesotho Kingdom and the upgrade of the Sani Pass road from gravel to tar will bring some economic value and benefit. The conservation efforts and practices, and limited industrial areas within most parts of the municipality protects the area from a number of undesirable pollutants and un-present odors.

The municipality also possesses favorable soils, climate and topology for commercial forestation which is well developed and creates some seasonal employment for local people. However, this industry has a direct effect in terms of maintaining the comparative advantage of the area, in that it poses a threat to road users, travel time and degradation of transport/access corridors (KwaSani IDP, 2015/16).

In addition, as a result of the municipality's location, the terrain is very mountainous and the rural communities in Dr. Nkosazana Dlamini-Zuma Local Municipality tend to be clustered, with the clusters being widely dispersed for instance in the rural communities of Mqatsheni; Enhlanhleni; KwaPitela and Ridge.

The Ukhahlamba Drakensberg World Heritage Park also serves to preserve the values of this international asset whilst simultaneously capitalizing on its potential to yield developmental benefits for the regional population and it is seen as a central component of developmental strategies for the KZN 436 (KwaSani IDP, 2015/16).

The jurisdictional area of Dr. Nkosazana Dlamini-Zuma Local Municipality is suitable for investment in sectors such as Property Development, Tourism and Agri-processing. These sectors are even identified in the KZN PGDP, IPAP and the New Growth Path. However, the successful implementation and promotion of these sectors is dependent on other social infrastructure such as roads, schools and health care facilities. The establishment of the Harry Gwala Development

Agency for instance is viewed as a very positive development for the municipality to promote investment (KwaSani, IDP 2015/2016).

The following bullet points summaries the narrative and figures above.

- Population of 128 565 which are largely rural
- Majority of the population fall between the 15 to 59 age group
- Urgent need for appropriate education and skills development for job creation
- Agriculture is the largest employer but the municipality needs to increase employment across the range of sectors rather than generally low paying agricultural sector.

CHAPTER 2

GOVERNANCE COMPONENT A

2.1 POLITICAL AND ADMINISTRATIVE GOVERNANCE

The Dr Nkosazana Dlamini Zuma Local Municipal Council is established in terms of Sections 9 (b) and 22 of the Local Government: Municipal Structures Act 117 of 1998. It has a collective type of the Executive with 29 Councillors and two (02) Traditional Leaders participating in the Municipal Council in terms of Section 81 of the Local Government and Municipal Structures Act, No. 117 of 1998. The Speaker of the Municipal Council is elected in terms of Section 36 and thereafter becomes its Chairperson. The Mayor as the Political Head of the Municipality is elected by the Municipal Council amongst the elected members of the Executive in terms of Section 48:

(1) of the Local Government: Municipal Structures Act, No. 117 of 1998. The Dr Nkosazana Dlamini Local Municipality has a part-time Whip of Council who is elected by the Council as per the Circular issued by the Member of the Executive Council in the Province: Councillor V.A.T Mthembu. The structure known as the Municipal Leadership which is composed of the Mayor, Deputy Mayor, Speaker, Whip. The Council Whip oversees the Political Management of the Municipality and oversees affairs between Council Meetings. The Municipal Leadership Committee famously known as TROIKA is further responsible for the maintenance of the stability within the Municipality.

The Executive Committee as the Principal Committee of Council is responsible for playing an oversight role over the workings of the Municipal Departments in between the Municipal Council Meetings through ensuring that the Council Resolutions are implemented and the issues requiring administrative and political interface are promptly attended to. The Council Meetings and that of its Portfolio Committees, both Sections 80 and 79 Committees are open to the public. There are five (05) Section 80 Committees and two (02) Section 79 Committees. Out of the three (03) Section 79 Committees the Municipality has a Municipal Public Accounts Committee that plays an oversight role on performance and financial management issues. In order to ensure the direct interaction with the community almost all the Municipal Council and that of its committee meetings are open to the public. The work of the Mayor is guided by Chapter 7 of the Local Government: Municipal Finance Management Act, No. 56 of 2003 which assists the Mayor in providing the political direction to the Municipality, as the Political Head of the Dr Nkosazana Dlamini Local Municipality and during the period under review the Mayor performed in an excellent manner. The Municipal Public Accounts Committee (MPAC) which is a Committee established by the Municipal Council in terms of section 79 of the Local Government: Municipal Structures Act, No. 117 of 1998 provided an oversight role during the year under review. The Committee is comprised of three (03) non-executive members drawn from parties represented in Council, with a part-time Chairperson who is elected by the Municipal Council from one of the non-executive members of the council

Dr Nkosazana Dlamini Local Municipality (DR NKOSAZANA DLAMINI ZUMA LOCAL MUNICIPALITY) prepares an annual report for each financial year in accordance with the Municipal Finance Management Act No.56 of 2003 (MFMA) section 121, and, during the MFMA transitional period, the Division of Revenue Act and the Municipal Systems Act 2000. The purpose of the annual report is: - to provide a record of the activities of the municipality or entity;

-to provide a report on performance in service delivery and budget implementation;

and - to promote accountability to the local community.

The IDP and budget are future-looking documents, they set out what the municipality intends to do and the funds it will raise and spend. The annual report, on the other hand, is backward-looking as it reports on actual performance of the municipality at the end of the financial year, reporting on how the IDP 2022/2023 and budget were implemented. DR NKOSAZANA DLAMINI ZUMA LOCAL MUNICIPALITYs 2022/2023 Annual report is aligned with the planning documents (IDP, SDBIP) and budget for the year 2022/2023. This means that the IDP, budget, service delivery and budget implementation plan (SDBIP), in-year reports and annual report have similar and consistent structures to facilitate understanding and to enable the linkage between plans and actual performance.

The annual report, is to be tabled in council by 31 January 2024. DR NKOSAZANA DLAMINI ZUMA LOCAL MUNICIPALITY is to timeously commence with the preparation of annual reports in order that these can be tabled before Council during January.

2.1 POLITICAL GOVERNANCE

The following hereunder is the Political Structure of the Municipality

Role and Responsibilities of a Mayor: Councillor PS Msomi

The Mayor is the leader of the Council and has a number of roles which are both legislative and functional. The legislative requirements are outlined in Section 73 and 73AA of the Local Government Act 1989. The Local Government Act states that the functions of the Mayor of a Council include:

- Providing guidance to Councillors about what is expected of a Councillor, including in relation to the role of a Councillor under section 65, and the observation of the Councillor Conduct Principals and the Councillor Code of Conduct under section 76B, 76BA and 76C.
- Acting as the principal spokesperson for the Council
- Supporting good working relations between Councillors
- Carrying out the civic and ceremonial duties of the Office of the Mayor

The mayor's role, extends well beyond officiating at council meetings or other municipal proceedings and includes providing leadership, promoting positive relationships, and modelling good governance.

2.1.1 FUNCTIONAL POWERS OF THE MAYOR

The Mayor is the Council spokesperson on key issues, the Mayor has a significant ceremonial role at particular events, including citizenship ceremonies. The Mayor is also an important community leader and is often the spokesperson for the community on economic issues (such as commenting on the impact of jobs lost or gained in the municipality) or when the community is put under stress (such as disaster management and socio-economic issues). While the Mayor has been elected by at least a majority vote, the position becomes the leader of all the Councillors whether they supported an individual or not. What this means is that the Mayor has responsibilities towards, and is accountable to, all Councillors. And the Mayor's leadership style should reflect this.

KEY GOVERNANCE ROLES

Chairing Executive Committee meetings

The way in which the Mayor chairs Executive Committee meetings makes a significant contribution to good governance. A well-run meeting that is inclusive and has high standards of governance relies on the mayor's approach to being chair. Mayors should have a good knowledge of meeting procedures and their council's meetings local law.

Promoting good relationships

Good relationships are the glue for good governance. Councillors particularly rely on the cooperation and support of colleagues and the administration to achieve their goals. This cooperation is based on good relationships, and an understanding and acceptance of each role. It is a function of the Mayor under the Act to provide guidance to Councillors about what is expected of them in their role as a Councillor pursuant to the role set out in section 65 of the Act. The Mayor is also expected to provide guidance to Councillors in relation to conduct in observance of the Councillor Conduct Principles and the Council's Councillor Code of Conduct. The Mayor is also charged with supporting good working relationships between Councillors.

The Mayor is in an ideal position to foster positive relationships between the various elements of local government by setting a good example. This includes relationships between the Mayor and Councillors, Council and the Administration.

Managing and modelling good conduct

The Mayor also has considerable influence in establishing standards of good governance behavior and ethics. As the leader of political wing of the municipality, the Mayor has an important formal role to play in promoting good conduct and managing poor conduct. It is critical that the Mayor's role in these proceedings is characterized by fairness, an appreciation of natural justice, and the awareness of being the leader of all Councillors, not just those who are supporters.

The role of the Deputy Mayor: Councillor KA Hadebe

The Deputy Mayor is required to fulfill his/her normal duties as a member of council under the Municipal Act, 2001, Section 224. The Deputy Mayor shall assist the Mayor in carrying out the Mayoral responsibilities under the Municipal Act, Section 225. The Deputy Mayor may exercise any function of the Mayor at the request of the Mayor or if the Mayor is prevented by illness, absence or otherwise from exercising the function or if there is a casual vacancy in the office of Mayor. The Deputy Mayor of Dr. Nkosazana Dlamini Zuma Local Municipality is Councillor KA Hadebe, she is the Portfolio Head of Public Works and Basic Services Department as well as Development, Town Planning Services, LED and Tourism. She also serves in the Executive Committee of Council.

Speaker: Councillor SS Phoswa

Role of the Speaker

- Ensuring that Council meets at least quarterly;
- Maintaining order during meetings; must ensure;
- Ensuring compliance in the Council and Council committees with the Code of Conduct of Councillors; and.
- Ensuring that Council meetings are conducted in accordance with the rules and orders of the Council.

Councillor SS Phoswa chairs all Council meetings, Municipal Rapid Response Team meetings, combined quarterly ward committee meetings and IDP/Budget Roadshows. His office is responsible for public participation programmes.

NDZ Municipality is comprised of thirty-two Councillors

NAME OF COUNCILLOR	GENDER	AFFILIATION	WARD/PR
1. Her Worship the Mayor: Cllr P.S. Msomi	Female	ANC	PR
2. Deputy Mayor: Cllr K.A. Hadebe	Female	ANC	PR
3. Speaker: Cllr S.S. Phoswa	Male	ANC	Ward
4. EXCO Member: Cllr R.S Mlotshwa	Male	EFF	PR
5. EXCO Member: Cllr. H.S. Mlibeni	Male	ANC.	Ward
6. EXCO Member: Cllr N.G. Dlamini	Male	IFP	Ward
7. Cllr M.W. Mtolo: MPAC Chair	Male	ANC	Ward
8. Cllr V.A.T Mthembu Whip	Male	ANC	Ward
9. Cllr B.R. Memela: Women's Caucus Chair	Female	ANC	Ward
10. Cllr B.B. Ntshiza	Male	ANC.	Ward
11. Cllr. X. Zamisa	Male	ANC	Ward
12. Cllr S.G. Mkhize	Male	ANC	Ward

NAME OF COUNCILLOR	GENDER	AFFILIATION	WARD/PR
13. Cllr I.T. Shoba	Male	ANC	Ward
14. Cllr P.N. Mdlangathi	Male	ANC	Ward
15. Cllr M.M Dlamini	Male	ANC	Ward
16. Cllr M.T.C Bhengu	Male	ANC	Ward
17. T.E Mdladla	Male	ANC	Ward
18. Cllr B.B. Khathi	Male	ANC	Ward
19. Cllr D.R. Ngcamu	Male	DA	PR
20. Cllr R.C A.-Trollope	Female	DA	PR
21. Cllr N.P. Zulu	Female	IFP	PR
22. Cllr. N.C. Dlamini	Male	IFP	PR
23. Cllr S.J. Phakathi	Male	IFP	PR
24. Cllr. N. Dlamini	Female	EFF	PR
25. Cllr. D. Adam	Male	DA	PR
26. P.K. Memela	Male	EFF	PR
27. Cllr M. Mbanjwa	Female	EFF	PR
28. Cllr P. Mayeza	Male	EFF	PR
29. Cllr Z. Ndlovu	Female	EFF	PR

NAME OF COUNCILLOR	GENDER	AFFILIATION	WARD/PR
30. Cllr T. Dumakude	Female	EFF	PR
31. Cllr. S.A Zondi	Male	EFF	PR
32. Cllr. N. Zikode	Female	EFF	PR
Inkosi B.P Mkhulise	Male	N/A	
TD Molefe	Tribal Authority	NA	

Table 18

2.1.2 Attendance of Councillors in different portfolio Committees during 2023/24 financial year.

PORTFOLIO COMMITTEES	SITTING DATES	CHAIRPERSON	Number of Sittings	Attendance
Audit & Performance Audit Com: <u>Portfolio Members:</u> Mr. N.C Vezi Mr. S.V Mngandi Mr. P.M. Mtungwa Ms. J.V Radebe Ms. N.N Mtintso Mrs. N.N. Vakalisa Ms. N. Holiwe Mr. D.B Gumede Mrs. Z. Zuma Ms. N. Gedze Mr. S. Ngidi Mr. E. Dlamini	July 2023- June 2024	Mr. A. Gonzalves	7 sittings	

PORTFOLIO COMMITTEES	SITTING DATES	CHAIRPERSON	Number of Sittings	Attendance
Mr. R. Lutchman Mr. M. Moyo				
Community Services Com: <u>Members of Portfolio</u> Cllr.B.B. Ntshiza Cllr. M.M. Dlamini Cllr. B.R. Memela Cllr. M. Mbanjwa Cllr. N.C. Dlamini Cllr. T.S Dumakude Cllr R.C.A Trollope	July 2023- June 2024	Cllr. H.S. Mlibeni	05 sittings	4 4 5 4 3 3 0 3
Corporate Services Com: <u>Members of Portfolio:</u> Cllr. X. Zamisa Cllr. S.G Mkhize Cllr. M.M Dlamini Cllr. S.J. Phakathi Cllr. Z. Ndlovu Cllr P. Mayeza Cllr. S.A Zondi Cllr. N. Zikode	July 2023- June 2024	Cllr. P.S Msomi	05 sittings	5 3 5 4 4 1 1 0

PORTFOLIO COMMITTEES	SITTING DATES	CHAIRPERSON	Number of Sittings	Attendance
				0
Women's Caucus: <u>Portfolio Members:</u> Cllr. P.S Msomi Cllr. K.A. Hadebe Cllr. N Dlamini Cllr. N.P. Zulu Cllr. R.C.A Trollope Cllr. M.P. Mbanjwa Cllr. Z. Ndlovu Cllr T.F Dumakude Cllr N.S Zikode	July 2023- June 2024	Cllr. B.R. Memela	3 sittings	 3 2 3 2 3 3 2 2 1 1
Council: <u>Portfolio Members:</u> Cllr. P.S. Msomi Cllr. K.A. Hadebe Cllr. S.H. Mlibeni Cllr. R.S. Mlotshwa Cllr. N.G. Dlamini Cllr. V.A.T. Mthembu Cllr.B.B. Ntshiza	July 2023- June 2024	Cllr. S.S. Phoswa	12 including Specials	 12 12 12 10 4

PORTFOLIO COMMITTEES	SITTING DATES	CHAIRPERSON	Number of Sittings	Attendance
Cllr. M.W. Mtolo				4
Cllr. S.G. Mkhize				9
Cllr. I.T. Shoba				7
Cllr. M.M Dlamini				8
Cllr. B.B. Khathi				5
Cllr. M.T.C Bhengu				8
Cllr. X. Zamisa				8
Cllr. B.R. Memela				10
Cllr. T.E. Mdladla				7
Cllr. Z. Ndlovu				6
Cllr. P. Mayeza				10
Cllr. N. Dlamini				7
Cllr. M.P Mbanjwa				6
Cllr. N.P. Zulu				10
Cllr. N.C. Dlamini				8
Cllr P.K. Memela				8
Cllr. D.R. Ngcamu				9
Cllr. R.C.A Trollope				6
Cllr. S.J. Phakathi				5
Cllr. D. Adam				7
Inkosi TD Molefe				2
Inkosi. Mkhulisi				06
				04
				07
				07
				08
				02
				05
				03
				00
				01

PORTFOLIO COMMITTEES	SITTING DATES	CHAIRPERSON	Number of Sitings	Attendance
Executive Committee: <u>Portfolio Members:</u> Cllr K.A. Hadebe Cllr. H.S. Mlibeni Cllr. R.S Mlotshwa Cllr.N.G Dlamini	July 2023- June 2024	Cllr.P.S. Msomi	11 sittings including Specials	 10 8 9 5 7
Finance Committee: <u>Portfolio Members:</u> Cllr. B.B. Ntshiza Cllr. I.T. Shoba Cllr. N.C. Dlamini Cllr. D.R. Ngcamu	July 2023-Jun 2024	Cllr. P.S. Msomi	6 sittings	 6 6 5 5 6
Public Works & Basic Services Committee: <u>Portfolio Members:</u> Cllr T.E. Mdladla Cllr. P.N. Mdlangathi Cllr. V.A.T. Mthembu Cllr N. Dlamini	July 2023- June 2024	Cllr. K.A Hadebe	05 including Specials	 4 4 4

PORTFOLIO COMMITTEES	SITTING DATES	CHAIRPERSON	Number of Sittings	Attendance
				3 2
Development and Town Planning Services Committee Cllr S.G. Mkhize Cllr B.B Khathi Cllr I.T. Shoba Cllr N.P. Zulu Cllr P.K. Memela	July 2023- June 2024	Cllr K.A. Hadebe	04 sittings	4 2 3 4 2 3
Municipal Public Accounts Com: <u>Portfolio Members:</u> Cllr. M.T.C. Bhengu Cllr. D. Adam	July 2023- June 2024	Cllr. W.M. Mtolo	04 sittings	3 4 4

PORTFOLIO COMMITTEES	SITTING DATES	CHAIRPERSON	Number of Sittings	Attendance
<u>Budget Steering Committee</u>		Cllr P.S. Msomi	02 sitting	2
Cllr K.A Hadebe				0
Cllr H.S. Mlibeni				2
Cllr V.A.T Mthembu				0
Cllr R.S. Mlotshwa				2
Cllr S.S. Phoswa				1
Cllr B.B. Ntshiza				1
Cllr I.T. Shoba				2
Cllr N.C. Dlamini				0
Cllr D.R. Ngcamu				1

The Corporate Support Services Department is responsible for providing secretarial functions to the municipality's governance structures such as portfolio committees/ Section 80 Committee, Section 79 Committees and some IGR Structures. The municipality has revised its Committees during the financial year this was done in order to ensure that the municipality's strategy is implemented effectively.

The following table reveals the new composition of Section 80 Committees:

COMMITTEE	CHAIRPERSON	MEMBERS
Finance Portfolio Committee	Her Worship the Mayor: Cllr P.S. Msomi	Cllr B.B. Ntshiza Cllr I.T. Shoba Cllr N.C. Dlamini Cllr D.R. Ngcamu

PWBS AND TOWNPLANNING DEVELOPMENT COMMITTEE	Deputy Mayor: Cllr K.A. Hadebe	Cllr. T.E Mdladla Cllr P. N. Mdlangathi Cllr V.A.T. Mthembu Cllr N. Dlamini
Community and Social Services Committee	Cllr H.S. Mlibeni	Cllr B.B. Ntshiza Cllr M.M. Dlamini Cllr B.R. Memela Cllr M. Mbanjwa Cllr N.C. Dlamini Cllr R.C.A. Trollope
Corporate Support Services Committee	Cllr P.S. Msomi	Cllr X. Zamisa Cllr S.G. Mkhize Cllr M.M Dlamini Cllr S.J. Phakathi Cllr. Z. Ndlovu Cllr P. Mayeza

Table 19

The following portfolio and other committees have been established by Council:

COMMITTEE	CHAIRPERSON	MEMBERS
Development and Town Planning Services Committee	Cllr K.A. Hadebe	Cllr S.G. Mkhize Cllr B.B. Khathi Cllr I. T. Shoba Cllr N.P. Zulu Cllr P.K. Memela

Table 20

2.8 Municipal Public Accounts Committee

Members of MPAC:

The primary purpose of the MPAC, which consists of five non-executive Councillors, is to assist Council by holding the Executive Committee to account for service-delivery. Members of the municipal public accounts committee (MPAC)

COMMITTEE	CHAIRPERSON	MEMBERS
MPAC	Cllr M.W. Mtolo	Cllr M.T.C. Bhengu Cllr D. Adam

Table 21:

WOMENS'S CAUCUS

Section 79 (1) of the Municipal Structures Act makes provision for Councils to establish one or more Committees for the effective and efficient performance of its functions to exercise of any of its power. The Speaker convened a multi-party meeting to formally establish a Women's Caucus and the Chairperson was elected in the first meeting. Councilor B.R. Memela was elected by Council to be Chairperson of the Dr NDZ LM Women's Caucus. The Caucus sits once a quarter and special meetings are called by the Chairperson to deal with matters of urgency. This structure reports to Council through the office of the Speaker.

The Caucus submits their reports to the Mayor on any matter in which the views of the Women must be considered in the decision-making process of the institution. The Mayor then channels such reports to the relevant Standing Committee through the Portfolio Councilor or to the Municipal Manager. The Municipality extends Women's Forums to the Community to ensure that women's dialogue is tabled at all social platforms. As much as Municipalities were urged to involve the female traditional leaders (Makhosi) in all meetings and allow them to lead other campaigns however there was no female traditional leaders at Dr Nkosazana Dlamini Zuma Local Municipality. The following table depicts the meetings that took place during the 2023/24 financial whereby women development issues were discussed:

No.	Date of the meeting
1.	28 th November 2023
2.	27 th March 2024
3.	30 th August 2023
4.	22 March 2024
5.	24 July 2024

Table 22

COUNCIL

During the month of February Three (3) EFF councillors were dismissed including by their deployed Political Party:

- Cllr M. Mbanjwa
- Cllr P. Mayeza
- Cllr Z. Ndlovu

They were substituted by the following councillors:

- Cllr T. Dumakude
- Cllr. S.A Zondi
- Cllr N. Zikode

Dr Nkosazana Dlamini Zuma Local municipality had one (1) Open council meeting which was held at Ward 4 eZidweni community hall to adopt 24/25 IDP, budget and its related policies.

2.2 ADMINISTRATIVE GOVERNANCE STRUCTURE

The following structures serves as the administrative governance of the organisation being headed by the Municipal Manager: Mr NC Vezi as the head of Administration. The Management Committee consists of all Senior Managers and sits as in when required by the Accounting Officer. The Extended Management Committee consists of both Senior Managers and Middle-Managers and it sits on a monthly basis and is also chaired by the Municipal Manager. The following table indicates the dates when these two structures met during the financial year:

No	Administrative Structure	Date of the meeting
1.	Top Management Committee	18 August 2023
2.	Top Management Committee	12 September 2023 18 September 2023
3.	Top Management Committee	10 October 2023
4.	Top Management Committee	06 November 2023
5.	Top Management Committee	06 November 2023 13 November 2023 20 November 2023 27 November 2023
6.	Top Management Committee	04 December 2023
6.	Top Management Committee	05 February 2024
7.	Top Management Committee	03 April 2024
8.	Top Management Committee	03 June 2024

Table 23

2.3 BY-LAWS

Public participation was conducted as per the Municipal Systems Act No.32 of 2000 section 12 (3) (b). The Public participation was successful, community members accepted what was presented to them. The Public Safety Department is the relevant custodian for the enforcement of the by-laws, ensuring that all persons abide/comply and failure to do so consequence management will be applied.

All compliance documents are published on the Municipality's Website as follows:

- Current annual and adjustments budgets and all budget-related documents
- budget-related policies
- The previous annual report (Year 2022/2023)
- All current performance agreements required in terms of section 57(1)(b) of the Municipal Systems Act
- All supply chain management contracts above a prescribed value
- An information statement containing a list of assets over a prescribed value that have been disposed of in terms of section 14 (2) or (4) during Year
- Contracts agreed in 2022/2023 to which subsection (1) of section 33 apply, subject to subsection (3) of that section
- Public-private partnership agreements referred to in section 120 made in 2023/2024
- All quarterly reports tabled in the council in terms of section 52 (d) during 2023/2024

2.4 COMMENT MUNICIPAL WEBSITE CONTENT AND ACCESS

The municipality revamped its website look and feel during the 2022/23 financial and also to make user friendly to the public so as to serve the purpose of being the information hub to all its viewers. The website is managed by a service provider (Power-vision). The content of the website is managed by ICT Unit that is responsible for the technical support and development of the website.

2.5 PUBLIC SATISFACTION ON MUNICIPAL SERVICES PUBLIC SATISFCATION LEVELS

The Dr. Nkosazana Dlamini Local Municipality did not conduct a satisfaction survey for the 2023/2024 financial year, as this exercise is too costly, however it uses the social media i.e. Facebook page, public meetings, WhatsApp group, to regularly interact with community members and respond to their quarries

2.6 COMPONENT B

2.6.1 INTRODUCTION TO CO-OPERATIVE GOVERNANCE AND INTERGOVERNMENTAL RELATIONS

KPA: GOOD GOVERNANCE AND PUBLIC PARTICIPATION SITUATIONAL ANALYSIS

OFFICE OF THE MUNICIPAL MANAGER

The Office of the Municipal Manager as a department comprises of the following directorates:

- Strategic Support Services (IDP& PMS)
- Communications
- Public Participation
- Intergovernmental Relations
- Executive and Council Support
- Internal Audit & Risk Management

This office is responsible for the following functions within the organisation:

Establishment and maintenance of a strategic management system for the municipality as a whole to ensure the achievement of the municipality's

strategic objectives and its developmental and service delivery obligations. Responsible and accountable for the formation and development of an economical, efficient and accountable administration as head of the administration to ensure that the objectives of sound governance principles (as depicted in the Constitution of the RSA and compliant with section 51 of the Systems Act, 32/2000) be achieved.

Oversee the implementation and maintenance of the municipality's integrated development plan (IDP) to ensure the proper execution of the IDP Strategic management of the effective and efficient provision of services to the local community to ensure that services are delivered in a sustainable and equitable manner.

Responsible and accountable for various financial management duties as Accounting Officer of the Municipality in terms of the Municipal Finance Management Act (56/2003), to ensure accountability of the Municipality's finance. Develop and monitor policies at the strategic management level to ensure its purposefulness and efficiency.

The office is also tasked with a responsibility of developing a service delivery and budget implementation plan (SDBIP) which serves as a monitoring and evaluation tool in assessing whether planned targets and indicators as set in each Senior Manager's scorecard have been achieved or not. The department has 9 targets for the whole financial year and all were applicable in Quarter 4 of 2023/2024. The table below indicates the number of targets achieved and not achieved as at the end of quarter i.e. 30 June 2024 and the overall performance in terms of percentages.

In Q4, the department has a total of 9 targets set in the top layer, and has successfully achieved 8 of them resulting in 89% of the achievement rate. Out of the 9 set targets, 9 are applicable in the quarter with 0 non-applicable.

OFFICE OF THE MUNICIPAL MANAGER: TOP LAYER SDBIP

OFFICE OF THE MUNICIPAL MANAGER: 01 JULY 2023- 30 JUNE 2024

The methodology used for the assessment is based on the rating calculator for Municipal Manager's and managers directly accountable to the Municipal Manager. The Score-cards are reviewed against actuals reported against submission of Portfolio of evidence which is also subject to an internal audit process. Where a target was not achieved, and evidenced reason for the variance was required together with recommended corrective action to be taken to ensure that the target was to be pursued further. For the purpose of this report only the assessment results will be highlighted in terms of a two-point scale i.e. Target achieved and Target Not Achieved.

The technical assessment by the PMS unit checks on the completeness of reports, and the relevance and sufficiency of the portfolio of evidence submitted. Portfolios of evidence are appropriately reference to the relevant score-cards/sdbip to allow for ease of reading and for purpose of auditing.

A PMS Checklist is used to ensure that performance information as reported is in line with the SMART principle: -

- Sufficient
- Measurable
- Accurate
- Relevant
- Time-bound

The checklist is applied against both the actual reported against the target, as well as the Reason for Variance where a target is not achieved.

The 2022/2023 financial year, a total of key performance indicators (relevant and applicable) are evaluated against targets set as summarized below: -

ORGANISATIONAL ANNUAL PERFORMANCE FOR 2022/2023 FINANCIAL YEAR					
No. of targets	Targets Achieved	Targets not achieved	% of Targets achieved	% of Targets not achieved	
61	53	08	87%	13%	

Table 24

GRAPHICAL REPRESENTATION OF THE ORGANISATIONAL PERFORMANCE AS AT 30 JUNE 2024

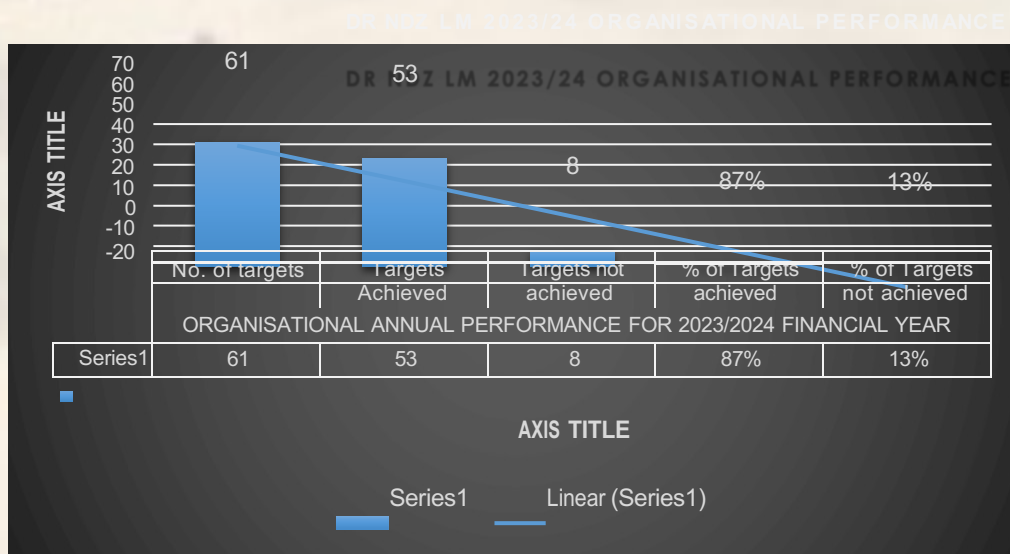


Fig 5

COMPARISON OF PERFORMANCE BETWEEN 2022/23 & 2023/24 FINANCIAL YEARS

CATEGORY	2022/2023	2023/2024
No. of targets	104	61
Targets Achieved	96	53
Targets not achieved	08	08
% of targets not achieved	8%	13%
% of targets achieved	92%	87%

Table 25

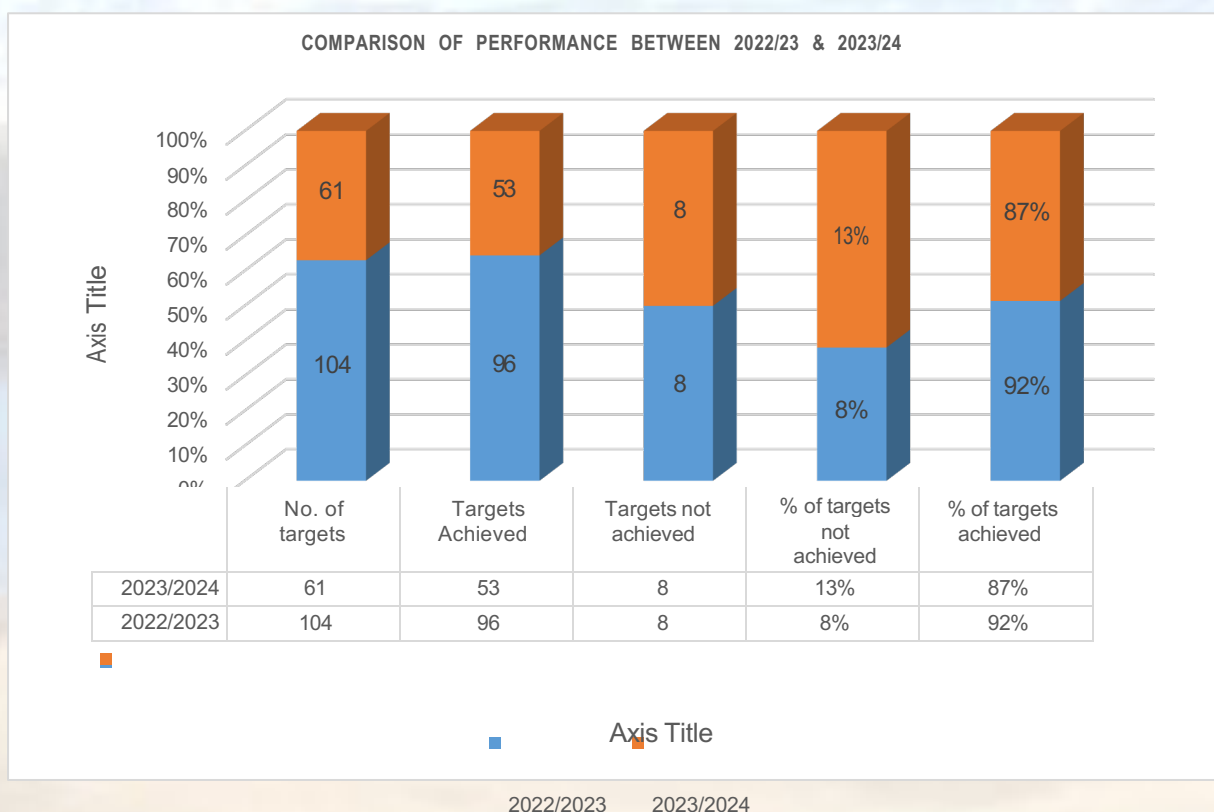
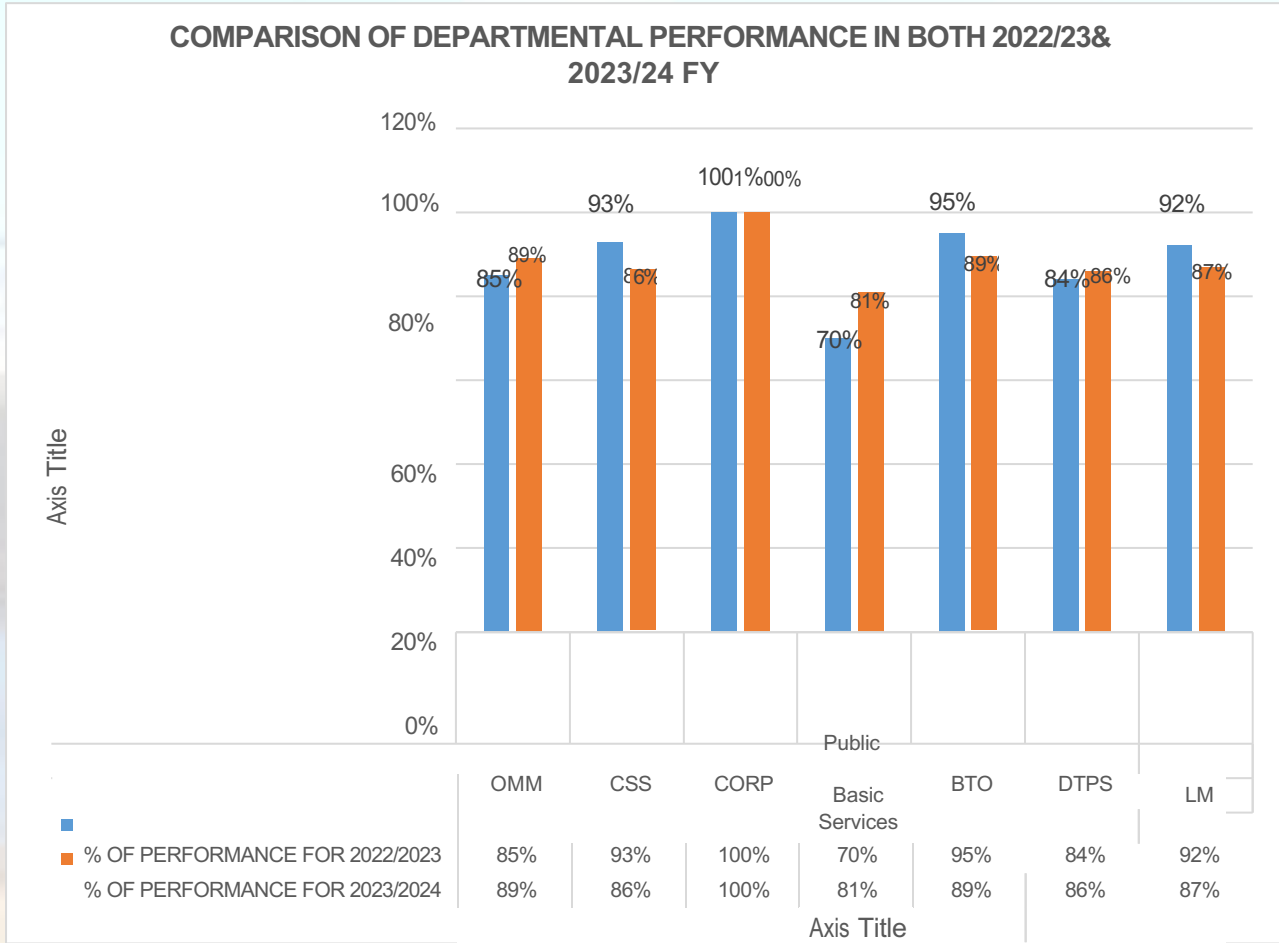


Fig 6

NO.	NAME OF THE DEPARTMENT	% OF PERFORMANCE FOR 2022/2023	% OF PERFORMANCE FOR 2023/2024
1.	Office Of The Municipal Manager	85%	89%
2.	Community & Social Services	93%	86%
3.	Corporate Support Services	100%	100%
4.	Public Works & Basic Services	70%	81%
5.	Budget & Treasury Office	95%	89%

6.	Development Town planning, LED and Tourism	84%	86%
7.	Organisational Performance	92%	87%

Table 26



% OF PERFORMANCE FOR 2022/2023

% OF PERFORMANCE FOR 2023/2024

Fig 7

OFFICE OF THE MUNICIPAL MANAGER'S PERFORMANCE REPORT

Annual Performance	Targets achieved	Targets not achieved	Targets Applicable in 2023/2024	Not applicable in 2023/24
Total no of targets: 09				
Annual Performance & performance in percentages	08	01	13	0
	89%	11%	100%	0%

Table 27

CATEGORY	2022/2023	2023/2024
No. of targets	13	09
Targets Achieved	11	08
Targets not achieved	02	01
% of targets not achieved	15%	11%
% of targets achieved	85%	89%

Table 28

GRAPHICAL REPRESENTATION OF PERFORMANCE FOR THE OFFICE OF THE MUNICIPAL MANAGER & COMPARISON BETWEEN 2022/23 & 2023/24

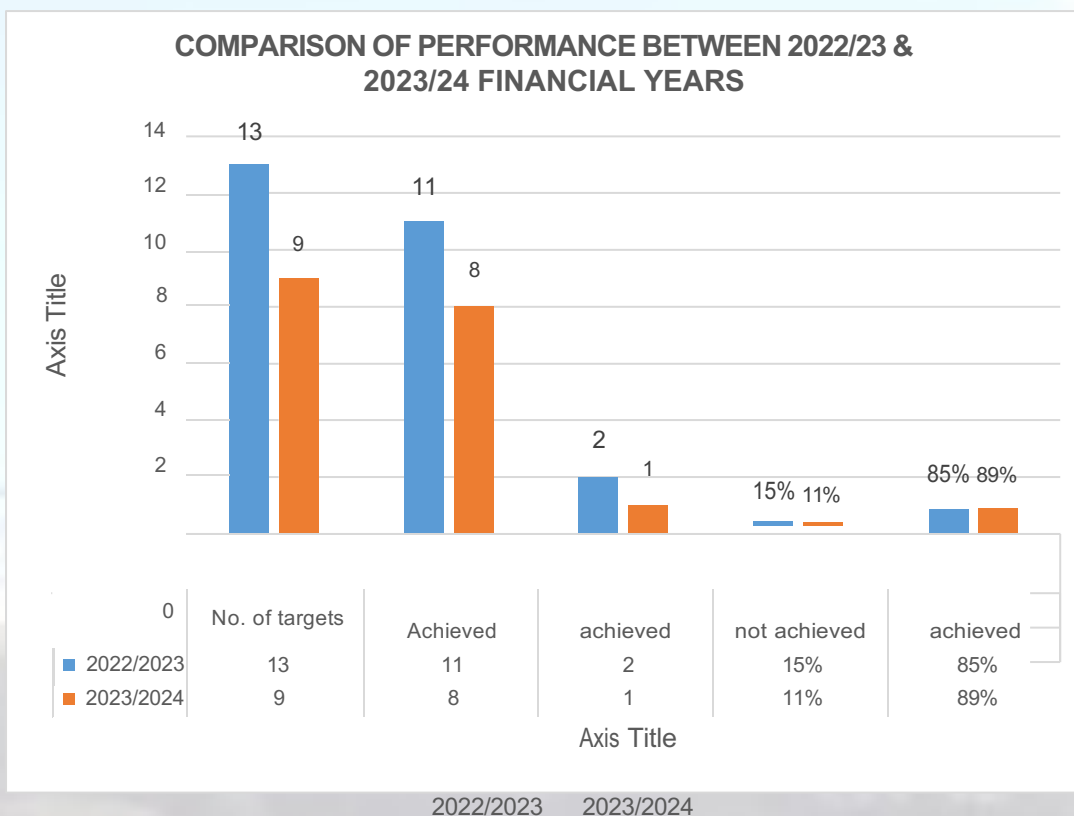


Fig 8

Integrated Development Plan

The 2024/2025 IDP is the review of the 5th Generation IDP which is developed internally and the draft IDP will be tabled to Council for noting before 31 March 2023 and again approved by Council on 30th May 2024. This strategic plan will then be reviewed annually as guided by the IDP Framework and Process Plan.

During the development and the review process public participation mechanisms are applied to ensure participation of the community. These mechanisms include but not limited to IDP, PMS and Budget Representative Forum, Ward engagement sessions to solicit priorities and IDP, PMS and Budget Roadshows. The municipality had two IDP/Budget/SDF and SDBIP Roadshows to inform members of the public about progress on the budget and progress on the implementation of the 2023/2024 IDP projects. The following table indicates the first round of the IDP/Budget Roadshow that was held as follows:

Date	Ward	Target Group	Venue
03 October 2023	14	Creighton Stakeholders	Creighton Municipal Council Chamber
04 October 2023	10	Bulwer and Donnybrook Stakeholders	Bulwer Community Services Centre

19 October 2023	10	Amakhosi and Izinduna	Bulwer Community Services Centre
20 October 2023	10	Ward Committees	Bulwer Community Hall
24 October 2023	01	Zone 1: Ward 1,2,3,4	Ntwasahlobo Community Hall
25 October 2023	06	Zone 2: Ward 5,6,8,14,15	Hlane Community Hall
26 October 2023	13	Zone 3: Ward 7,9,10,11,12,13	St Charles Community Hall
07 November 2023	03	Underberg and Himeville Stakeholders	Underberg Country Club

Table 29

The draft 2024/25 IDP and Budget has been communicated to the members of the public through IDP/Budget Roadshows and it will be later tabled to Council for noting on 31 March 2024. However, the table below details the dates for the 2nd round of the IDP Roadshows:

The final draft 2024/25 IDP and Budget will also be communicated to the members of the public on programmes to be implemented during 2024/25 financial year through IDP/Budget Roadshows as it has to be approved by Council before 31 May 2024. However, the table below details the dates for the 2nd round of the IDP Roadshow with the new Council.

NO	DATE	EVENT	TARGET GROUP	QUANTIT Y	BUDGET ESTIMATES
1.	14 March 2024	Meeting with Taxi Associations	Taxi Associations	20 people	R10 000
2.	27 March 2024	Open Council Meeting	Ward 6: Public Members	150 people	Corporate Services vote
3	04 April 2024	2024/25 Draft IDP& Budget Consultation	Traditional Leaders	11	R60 000
4.	9-12 April 2024 16-19 April 2024 Time: 09h00 & 13h00	2024/25 Draft IDP& Budget Roadshows: per ward	Public Members: Ward 1-15 2 Wards a day except for Ward 15	60 60 150 69 Taxis 20 Artists 50	R90 000 R30 000 R405 000 R105 000 R20 000 R20 000
5.	22-26 April 2024: 17h00	2024/25 Draft IDP& Budget Roadshows	Civil Servants & Business Chambers Ratepayers	150	R30 000

			Residents Associations		
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Table 30

The Department of Cooperative Governance and Traditional Affairs has been monitoring and measuring the credibility of the IDPs of the municipalities in the KZN. Our IDP has been ranked number 14 in the Province of KwaZulu-Natal. Below is the rating per Key Performance Area that the municipality has received in 2017/2018, 2018/2019, 2019/2020, 2020/2021, 2021/2022, 2022/2023 and 2023/2024 financial years.

Below is the comparison of municipality's performance per KPA on the IDP rating for the past seven financial years.

KPA No.	KPA	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023	2023/2024
1.	Basic Service Delivery and Infrastructure	3.4	3.0	2.9	1.69	2.0	4.3	3.9
2.	Cross Cutting Issues	1.88	3.0	2.5	4	3.2	2.0	4.0
3.	Local Economic Development	2.2	3.5	2.5	2.5	2.7	3.4	3.94
4.	Good Governance & Public Participation	4.45	4.5	4.6	4.7	4.1	4.04	4.14
5.	Financial Management and Financial Viability	2.95	3.8	3.05	4.6	4.85	4.6	3.9
6.	Institutional Development and Organizational Transformation	2.5	4.1	4.9	5	5	4.5	4.5
	Strategic Thrust	NA	NA	NA	NA	NA	NA	5
OVERALL RATING IN %		57.93	71.50	68.17	72.30	72.83	76.13	83.94%

Table 31

Performance Management System (PMS) and Back to Basics

The Performance Management System Framework Policy was approved by Council together with all other policies on 30 May 2023, this policy is reviewed annually. The Procedure Manual and Technical Indicator Descriptions have been developed and reviewed annually. As part of consequence management, the policy contains a clause that states that Municipal Council shall not authorize the payment of performance bonuses to Senior Managers who will be found after an investigation by the Municipal Public Accounts Committee (MPAC) to be responsible for the Unauthorized, Irregular, Fruitless and Wasteful Expenditure.

APAC reviews quarterly performance reports and performance reports will continue to be further submitted to Council Committees and Council as legislated. Performance Agreements

for Senior Management for 2023/24 are developed and signed by the Municipal Manager and all Senior Managers. The PMS Unit is currently in a process of drafting 2024/25 Performance Agreements which would also be reviewed together with the 2024/25 Service Delivery Budget and Implementation Plan as it has been happening in the previous term of office. Performance Assessments for Senior Management are conducted annually (2 formal and 2 informal) and reports are submitted for the internal audit unit through quarterly Performance Reports and to Council for approval of the payment of performance bonuses.

The Internal Audit unit plays a major role in the implementation and review of the performance information as their risk based internal audit plan requires them to audit performance report on a quarterly basis. These reports are first discussed at a Management Committee level and furthermore presented to the Audit and Performance Audit Committee, Executive Committee and Council.

The following table depicts dates in which 2022/23 and 2023/24 performance reports were tabled to Oversight Structures:

No	TYPE OF PERFORMANCE REPORT	OVERSIGHT STRUCTURE	DATE
1.	2022/2023 Quarter 1 Performance report	Exco, Council and APAC	28 October 2022 & 14 November 2022
2.	2022/2023 Mid-Year Performance report	Exco, Council and APAC	25 January 2023 & 12 January 2023
3.	2022/2023 Quarter 3 Performance report	Exco, Council and APAC	16 May 2023 & 25 June 2023
4.	2022/2023 Annual Performance Report	Exco, Council and APAC	29 August 2023 & 29 August 2023
5.	2023/2024 Quarter 1 Performance Report	Exco, Council and APAC	31 October 2023 & 5 th of December 2023
6.	2023/2024 Mid-Year Performance Report	Exco, Council and APAC	25 January 2023 & 15 March 2024

Table 32

The municipality adheres to the legal prescripts in relation to the planning, reporting timelines, development, submission and publication of performance information (SDBIP, Quarterly reports, Mid Term Performance assessment reports, Annual report, Oversight reports and Section 56 Performance Agreements.

NO.	TYPE OF PERFORMANCE ASSESSMENT	DATE	STATUS
1.	2022/23 Quarter 1 Informal Performance Assessments	15 November 2022	Conducted
2.	2022/2023 Mid-Year Performance Assessments	14 March 2023	Conducted
3.	2022/2023 Quarter 3 informal Performance Assessments	29 May 2023	Conducted
4.	2022/2023 Annual Performance Assessments	20 September 2023	Conducted
5.	2023/2024 Quarter 1 Informal Performance Assessments	08 November 2023	Conducted

Table 33

The following members serves as Panelists in the Senior Managers Performance Assessments:

INITIALS & SURNAME	DESIGNATION	ORGANISATION
1. Cllr PS Msomi	Chairperson/ Mayor	Dr. NDZ Local Municipality
2. Councillor KA Radebe	Deputy Mayor: Chairperson of PWBS Committee	Dr. NDZ Local Municipality
3. Councillor SH Mlibeni	Exco Member: Portfolio Head: Community and Social Services Committee	Dr. NDZ Local Municipality
4. Mrs. N Mkhize	Ward Committee Member	Ward 1: Dr. NDZ LM
5. Councillor SG Mkhize	Corporate Services Committee Member	Dr. NDZ Local Municipality
6. Mr. NC Vezi	Municipal Manager	Dr. NDZ Local Municipality
7. Mr. A Gonzalves	Chairperson: Audit & Performance Audit Committee	Audit & Performance Audit Committee
8. Mr. ME Mkhize	Municipal Manager: Ubuhlebezwe Local Municipality	Ubuhlebezwe Local Municipality

Table 34

The following Back to Basics principles have been institutionalized within the Performance Management Framework, where the IDP Objectives (Refer to Section D) and SDBIP (Refer to Section G) are aligned to the principles.

- Putting People first
- Delivery Basic Services
- Good Governance
- Sound Financial Management
- Building Capacity

On the issue of Service Delivery Improvement Plan, the municipality used the upcoming IDP/ Budget Roadshows to develop the Service Delivery Improvement Plan by conducting an assessment based on the community requests on the three priority services and thereafter develop the SDIP based on the three service delivery priority concerns raised by the members of the public. Those top three service delivery concerns are:

- Gravel roads construction and maintenance
- Housing Projects
- Local Economic Development Programmes

However, it must be noted that due to insufficient budget the municipality could not conduct a community survey on community satisfaction on service delivery issues.

The Batho Pele/ Customer Care Policy is in place and reviewed on an annual basis together with all other municipal policies. The Municipal Service Charter is also in place and used as a tool to implement Batho Pele principles. The municipality is currently using a manual complaints management system to record, track and report on complaints from members of the public on service delivery issues. A report is prepared bimonthly and presented to the Corporate Support Services Committee for it to play an oversight role on customer care issues. The Customer Complaints Management Report contains complaints from members of the public through walk-ins, email, telephonic, facebook, whatsapp and ward committees.

2.7 Public Participation and Ward Committees

The Public Participation policy and Ward Committee policy was approved by Council on 31 May 2023 which regulates participation of the local community in the affairs of the municipality, this policy was workshopped to Councillors at the Councillor Induction Programme that was held on 6-11 December 2021. The following table indicates programmes that Ward Committees participated on during the 2023/24 financial year and the planned programmes thereon. The objective of a ward committee is to enhance participatory democracy in local government. A ward committee is:

- (a) an advisory body;

- (b) is a representative structure of the ward;
- (c) is independent;
- (d) must be impartial and perform its functions without fear, favor or prejudice;
- (e) is not politically oriented;
- (f) is an integrative umbrella body responsible for coordination of ward developmental initiatives.

On the 28th October 2022, The Executive Committee of the Department of Cooperative Governance and Traditional Affairs (Cogta) resolved to adopt a Provincial framework on the payment of out of pocket expenses to ward committees in the province of KwaZulu-Natal. In developing this framework, the Department consulted the Local Government Municipal Structures Act 117 of 1998 as amended in 2021, together with the National Framework Criteria for Determining Payment of Out of Pocket Expenses to ward committee members, 2009.

This framework is provided as a guide to support municipalities in the province to develop and adopt policy regulations on the payment of out of pocket expenses to ward committee members. Using the adopted provincial framework which is attached herewith, municipalities are required to develop and adopt policies to regulate the payment of out of pocket expenses to ward committee members during the current term of office. Municipalities are advised to align their policies with legislative and policy provisions and should not operate outside of the legal framework as it is contained in the relevant pieces of legislation as well as the national and provincial frameworks.

Effective from the 1st of December 2022, all municipalities in the province are expected to develop/review, adopt and submit to the Department copies of municipal policies on the payment of out of pocket expenses together with a council resolution no later than the 31st March 2022. The Department will monitor the implementation of all municipal policies from the beginning of the financial year 2023/24 until the end of the term of ward committees. During the term of office of the current ward committees it is expected that all municipalities in the province will utilize their policies to ensure effective operations within the ward committee programme.

The Provincial Department of Cooperative Governance and Traditional Affairs conducted a survey on the work of the Ward Committee, effectiveness as well as their satisfaction and it transpired that a lot must be done in order to improve the working conditions of this very important structure in order to receive value for money for their role as one critical service providers of the municipality.

Below are the key components of the basis of the framework:

A functional Ward Committee member must make a meaningful contribution towards the six (6) performance indicators used to assess the functionality of a Ward Committee (See section 7.6). A member who is said to be functional must meet at least the following imperatives:

- (a) His or her name must feature on the Ward Committee Programme of Action;
- (b) He or she must execute what has been assigned to him or her as per the Programme of Action and special assignments delegated in terms of Section 59 of the Municipal Systems Act;
- (c) He or she must continuously advise and make recommendations to the Ward Councillor or to the Ward Committee itself on matters affecting the geographic area or sector that he or she represent; and

- (d) He or she must receive queries and complaints from community members concerning municipal services. communicate this to the Councillor and provide feedback to community members concerned.
- (3) Functionality-based reimbursement also takes into account the functionality status of the entire Ward Committee. It therefore would not make any sense to have all ten (10) functional members claim their out-of-pocket expenses at the end of each month whilst the functionality assessment of the same Ward Committee bears negative results.
- (4) The most important tool to use in measuring whether Ward Committee members have done what they were supposed to do is to have a plan which can be used as the baseline. for implementing the functionality-based reimbursement, Ward Committee members who are to receive expenses have to present valid proof that they have done some work for the committee.
- (6) Proof to be presented should include a report signed by a Ward Councillor and an administrative support staff as per Section 1 3(3)(b) of the Municipal Policy on Ward Committee Elections and Operations as amended. This report must include at least the following:
 - (a) Details of work done;
 - (b) Minutes of meetings attended; and
 - (c) Attendance register(s).
7. The payment of out-of-pocket expenses for Ward Committee members must be reconsidered in the event that ward committee functionality does not Improve or deteriorates.

The breakdown of all priority groups, indicating the municipality and the amounts to be budgeted for, when implementing this Provincial Framework is as follows for DC 43: Harry Gwala District Municipalities:

No.	Municipality	Number of Wards	Recommended out of pocket rate
1.	Dr Nkosazana Dlamini Zuma Local Municipality	15	R1000
2.	Ubuhlebezwe Local Municipality	14	R1000
3.	UMzimkhulu Local Municipality	22	R1000
4.	Greater Kokstad Local Municipality	12	R1000

Table 35

Service delivery related issues include community participation. If the Council does not cater for out-of-pocket expenses for Ward Committee members, then undesirable effects might be witnessed for example; service delivery protests. Paying for out-of-pocket expenses plays a pivotal role. In augmenting municipal capacity and creating zeal for Ward Committee members to serve.

Ward Committees are the third wing of the municipality and they play a significant role in disseminating municipal information to the public.

2.7.1 CAPACITY BUILDING FOR WARD COMMITTEE

The Public Participation Office continues to visit all 15 Ward Committees in order to monitor that meetings are taking place as per the submitted schedules, to provide technical support

on the operational plan and other administrative issues pertaining to the functionality of the Ward Committees.

Following a concern raised by Cogta on the quality of reports and minutes produced by Ward Committees the Public Participation Unit then coordinated a five (05) days training workshop that was held at Umhlanga Coastlands in Durban on 19-23 June 2023 to capacitate these sectors:

- Ward Committee Secretaries
- Ward Support Clerks
- Youth Sector
- Professionals Sector
- 15 Ward Councillors
- Secretary: Rapid Response Team

On Minutes Taking and Report Writing by Zamsiba Development Consultants, this training was a success as all attendees were able to submit the required Proof of Evidence and were fully participating during the training programme. Certificates have been issued by the service provider and will be presented at the Combined quarterly ward Committee meeting that is going to be held on Friday, 29 September 2023.

2.7.2 FUNCTIONALITY OF WARD COMMITTEES

Based on legislation and policy framework the following six (6) pre-determined indicators are used to assess and verify the status of functionality of ward committees in all municipalities in the province of KwaZulu-Natal

- Number of ward committee meetings convened in a quarter, with reference to section 73(3) (c) of the Municipal Structures Act
- ✓ *(Evidence required: minutes and attendance registers of all ward committee meetings)*
- ✓ Number of meetings chaired by the ward Councillor in terms of section 73(2) (a) of the Municipal Structures Act
- ✓ *(Evidence required: Minutes and attendance registers of ward committee meetings)*
- ✓ Percentage attendance by ward committee members at meetings with specific reference to section 73 (2) (b) of Municipal Structures Act
- ✓ *(Evidence required: Minutes and attendance registers of ward committee meetings)*
- ✓ Number of community feedback meetings convened by the committee and issues discussed, with specific reference to Schedule 7 of the Municipal Structures Act.
- ✓ *(evidence required: minutes/reports and attendance registers of community feedback meetings held)*
- ✓ Number of ward committee sectoral reports submitted to the ward Councillor in terms of Output 5 of Outcome 9 of Delivery Agreement (10 Point Plan) *(evidence required: monthly sectoral reports submitted by each member of a ward committee)*
- ✓ Number of ward reports on planned activities submitted to the municipality in terms of Output 5 of Outcome 9 of the Delivery Agreement (10 Point Plan)
- ✓ *(Evidence required: quarterly progress report on implementation of WOPs submitted by each ward Councillor)*

- ✓ Verification of evidence against the reports provided by ward committees is conducted to confirm the work carried out by the committees.

2.7.3 CAPACITY BUILDING FOR WARD COMMITTEE

The Public Participation Office continues to visit all 15 Ward Committees in order to monitor that meetings are taking place as per the submitted schedules, to provide technical support on the operational plan and other administrative issues pertaining to the functionality of the Ward Committees.

Following a concern raised by Cogta on the quality of reports and minutes produced by Ward Committees the Public Participation Unit is then in a process of coordinating another training workshop on the following modules to capacitate them:

The training is arranged to take place before 31 March 2023 and the exact venue and date will be communicated to Councillors through the office of the Speaker.

UNIT STANDARDS	NQF	CREDIT	DESCRIPTION
242866	3	6	<p>This unit standard is intended for persons involved with maintaining an accurate and functional record-keeping system in a public sector organisation.</p> <p>The qualifying learners capable of:</p> <ul style="list-style-type: none"> n Identifying legislative and policy and procedure requirements that determine records management in a public sector organisation. n Explaining the purpose of a records management system in the context of a public sector organisation. n Operating a records storage and retrieval system in a public sector organisation. n Maintaining a records storage and retrieval system in a public sector organisation.
242890	3	10	<p>Community Based Planning; Display an understanding of core municipal processes and Ward Committee participation in these processes.</p> <p>Scope of Unit Standard:</p> <p>Community-based planning (CBP) is a specific form of ward planning involving all people in a ward which has been designed to promote community action</p>

			<p>and make the Integrated Development Plan (IDP) of a municipal area more people-centered.</p> <p>This module is intended for Ward Committees and community leaders, to help them to understand what the IDP is, and what is required to carry out CBP. However, lessons can be applied to other contexts according to the South African Constitution and key laws</p> <ul style="list-style-type: none"> • What is a municipality's role in planning? and what are communities rights in relation to planning? <p>Topics covered include:</p> <ul style="list-style-type: none"> • What is Integrated Development Planning? • What is Community-Based Planning, and how does it link to the IDP? • What are the roles in the CBP/IDP processes? • What is required to make this community-based planning process work?
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Table 36

FUNCTIONALITY OF WARD COMMITTEES

Based on legislation and policy framework the following six (6) pre-determined indicators are used to assess and verify the status of functionality of ward committees in all municipalities in the province of KwaZulu-Natal

- ✓ Number of ward committee meetings convened in a quarter, with reference to section 73(3) (c) of the Municipal Structures Act
(Evidence required: minutes and attendance registers of all ward committee meetings)
- ✓ Number of meetings chaired by the ward Councillor in terms of section 73(2) (a) of the Municipal Structures Act
(Evidence required: Minutes and attendance registers of ward committee meetings)
- ✓ Percentage attendance by ward committee members at meetings with specific reference to section 73 (2) (b) of Municipal Structures Act
(Evidence required: Minutes and attendance registers of ward committee meetings)
- ✓ Number of community feedback meetings convened by the committee and issues discussed, with specific reference to Schedule 7 of the Municipal Structures Act.

(Evidence required: minutes/reports and attendance registers of community feedback meetings held)

- ✓ Number of ward committee sectoral reports submitted to the ward Councillor in terms of Output 5 of Outcome 9 of Delivery Agreement (10 Point Plan) (evidence required: monthly sectoral reports submitted by each member of a ward committee)
- ✓ Number of ward reports on planned activities submitted to the municipality in terms of Output 5 of Outcome 9 of the Delivery Agreement (10 Point Plan)
- ✓ (Evidence required: quarterly progress report on implementation of WOPs submitted by each ward Councillor)
- ✓ Verification of evidence against the reports provided by ward committees is conducted to confirm the work carried out by the committees.

In quarter 1 of 2023/24 the municipality received 73% in terms of Ward Committee functionality.

The following concerns were raised by Officials from Cogta responsible for assessment of Ward Committees on a quarterly basis;

- Minutes of Ward Committees not being signed by the Ward Committee Chairperson
- Poor quality of minutes and reports submitted by Ward Committees
- No records for public Meetings
- Ward Councillors not signing attendance registers.

On Tuesday, 15/08/2023 the Department of Cooperate Governance and Traditional Affairs in KZN, Public Participation Directorate visited the municipality to conduct its first verification on the functionality of Ward Committees for quarter 01, of 2023/2024 financial year. According to the verification by COGTA out of 15 Ward committees, 11 Wards were declared as functional except for the 04 following Wards;

- Ward 3 – Councillor did not chair any ward committee meeting & community meeting not chaired by Councillor
- Ward 8 – No community meetings
- Ward 9 – Councillor attended 2 out of 3 ward committee meetings.
- Ward 15 – ward committee meetings held outside ward boundaries.

**DR NKOSAZANA DLAMINI ZUMA MUNICIPALITY WARD COMMITTEE VERIFICATION RESULTS
PERIOD: JANUARY – MARCH 2024 – BASED ON PROVINCIAL WC FUNCTIONALITY CRITERIA**

Date verified: 04 to 20th June 2024

APP INDICATOR: NUMBER OF MUNICIPALITIES SUPPORTED TO MAINTAIN FUNCTIONAL WARD COMMITTEES

DISTRICT	Name of Municipality	Number of wards	No of functional wards	% functional wards	Functional wards	No of non-functional wards	% non-functional wards	Reasons for non-functionality
Harry Gwala District	Dr. NDZ	15	13	87%	1, 2, 3, 4, 7, 8, 9, 10, 11, 12, 13, 14 & 15	2	13%	<p>Ward 5 – 2 out of 3 Ward Committee meetings held</p> <p>Ward 6 – Sectoral reports not stamped by Cllr & ward report not stamped.</p>

Table 37

COMMUNITY FEEDBACK MEETINGS CONVENED BY COUNCILLORS IN EACH WARD

DISTRICT	Name of Municipality	Number of wards	No of community feedback meetings held	No of wards where community meetings were held	Wards where councilors convened community feedback meetings	Percentage of wards which convened meetings
Harry Gwala District	Dr. NDZ	15	20	15	All wards	100%

Compiled by

 Mr. S. Cele
Deputy Director: Public Participation
On behalf of the Chief Director:
Public Participation Business Unit

2.7.4 IGR OR DISTRICT DEVELOPMENT MODEL MEETINGS PARTICIPATION

On the 31st of May 2023, the Governance, State Capacity, Institutional Development Cluster sat its meeting at Harry Gwala District Municipality Council Chamber, the representatives who are, Mr. P Mtungwa and Mr. JS Sondezi from Dr. Nkosazana Dlamini Zuma Local Municipality were in attendance.

The meeting for Planners Forum, and Infrastructure Forum sat on the 2nd of June 2023 at Greater Kokstad Local Municipality Council Chamber, the representatives who are Mrs. T. Dawe, Mr. V. Mngadi and Mr. Z. Dlamini were in attendance. The meeting for Technical and Political Hub forums which were scheduled to sit on the 28 June 2023 were postponed. The District Public Participation Forum was attended by officials from Dr. Nkosazana Dlamini Local Municipality: Miss DP Zaca and Miss N Mkhize. The Provincial Public Participation Forum that was held on 22 June 2023 in Mayville Public Works Offices was also attended by both Public Participation Officers from the municipality.

PUBLIC PARTICIPATION MUNICIPAL PROGRAMS ATTENDED BY WARD COMMITTEES:

ITEM NO.	PARTICIPATION OF WARD COMMITTEE MEMBERS IN MUNICIPAL PUBLIC PARTICIPATION PROGRAMME	DATE & VENUE
1.	PPP, MRRT and ICMS meeting	22 June 2023: Cogta offices Mayville
2.	District Public Participation Forum	04 May 2023: Harry Gwala District Council Chamber
3.	Speakers Forum	11 May 2023 : Harry Gwala District council chamber
4.	Ward committee Verification process	16 May 2023 : Disaster office Ixopo
5.	The office have also attended Career Expo by the Youth office targeted all high schools matriculants within the jurisdiction of Dr Nkosazana Dlamini Zuma Municipality.	25 May 2023: Bulwer Community Hall
6.	Open Council Meeting	30 May 2023: Bulwer Hall.
7.	Child Protection Day Program	14 June 2023: Ndumakude Community Hall.]
8.	Youth Commemoration Day: Youth Council Meeting	15 June 2023: Sonyongwana Community Hall.
9.	Arts and Culture Activities	16 and 17 June 2023: Bulwer Arts Center and Junction Community Hall.

Table 38

PUBLIC PARTICIPATION MUNICIPAL PROGRAMS ATTENDED BY OFFICIALS/ OR WARD COMMITTEES:

ITEM NO.	PARTICIPATION OF WARD COMMITTEE MEMBERS IN MUNICIPAL PUBLIC PARTICIPATION PROGRAMME	DATE& VENUE
1.	School Uniform Donation by the Harry Gwala District Mayor, Hon Cllr ZD Nxumalo.	29 August 2023: Ngcesheni Primary School, Ward 06.
2.	District Public Participation Forum meeting.	14 September 2023: Dr. NDZ LM, Bulwer CSC Council Chamber
3.	Speakers Forum	27 September 2023 : Harry Gwala District council chamber
4.	The Youth Camp program that was held at Glencairn farm.	26-28 September 2023: Glencairn farm, Underberg.
5.	The Sod turning of Masameni Community hall.	27 September 2023: Ward 15.
	The Makawusane sportsfield, oversight visit.	
	The Creighton rehabilitation program	03 October 2023: Ward 15.
6.	Ministerial Imbizo	03 October 2023: Creighton town, Ward 14.
7.	Public hearing: Preservation and Development of Agricultural Land Bill.	08 September 2023: Kromhoek, Ward 20, Umzimkhulu LM.
		08 September 2023: Clysdale Hall, Umzimkhulu LM.

Table 39

CAPACITY BUILDING PROGRAMMES FOR WARD COMMITTEE

The public participation unit is currently finalizing logistical arrangements for the Training Programme of 150 Ward Committees of Dr. Nkosazana Dlamini Zuma Local Municipality on the following modules for 2023/24 financial year which will take place on 11-15 March 2024.

The training will be provided on the following Unit Standard:

UNIT STANDARDS	NQF	CREDIT	DESCRIPTION
242866	3	6	<p>This unit standard is intended for persons involved with maintaining an accurate and functional record-keeping system in a public sector organisation.</p> <p>The qualifying learners capable of:</p> <ul style="list-style-type: none"> n Identifying legislative and policy and procedure requirements that determine records management in a public sector organisation. n Explaining the purpose of a records management system in the context of a public sector organisation. n Operating a records storage and retrieval system in a public sector organisation. n Maintaining a records storage and retrieval system in a public sector organisation.
242890	3	10	<p>Community Based Planning; Display an understanding of core municipal processes and Ward Committee participation in these processes.</p> <p>Scope of Unit Standard:</p> <p>Community-based planning (CBP) is a specific form of ward planning involving all people in a ward which has been designed to promote community action and make the Integrated Development Plan (IDP) of a municipal area more people-centered.</p> <p>This module is intended for Ward Committees and community leaders, to help them to understand what the IDP is, and what is required to carry out CBP. However, lessons can be applied to other contexts according to the South African Constitution and key laws</p> <ul style="list-style-type: none"> • What is a municipality's role in planning? and what are community's rights in relation to planning? <p>Topics covered include:</p> <ul style="list-style-type: none"> • What is Integrated Development Planning?

			<ul style="list-style-type: none"> • What is Community-Based Planning, and how does it link to the IDP? • What are the roles in the CBP/IDP processes? • What is required to make this community-based planning process work?
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Table 40

The service provider has been appointed through SCM process and the training will take place before 31 March 2024. The verification by Cogta on the functionality of Ward Committees was held on 07 November 2023. Out of 15 wards, 12 were declared functional and three wards namely; 03, 15 & 09 were declared dysfunctional due to irregularities found in the report.

PUBLIC PARTICIPATION MUNICIPAL PROGRAMS ATTENDED BY OFFICIALS/ OR WARD COMMITTEES:

ITEM NO.	PARTICIPATION OF WARD COMMITTEE MEMBERS IN MUNICIPAL PUBLIC PARTICIPATION PROGRAMME	DATE& VENUE
1.	IDP/Budget Roadshows	20-26 October 2023
2.	Cogta Verification by Cogta	07 November 2023
3.	Electricity Regulation Amendment Bill: National Parliament	Friday, 24 November 2023: Clysdale Community Hall: UMzimkhulu
4.	Launch of the Broad-band Access Fund: National Parliament: Minister Gungubele	28 November 2023: Greater Kokstad Municipality
5.	Public Hearing on Agriculture Committee on PDA: Bill in KZN	Friday, 08 September 2023: Clysdale Community Hall: UMzimkhulu Local Municipality
6.	Harry Gwala Summer Cup Horse Racing	Saturday, 25 November 2023: Ward 5: Kilmun Horse Racing
7.	Filling of vacant positions for Ward Committees: Ward 3	30 November 2023: Underberg Community Hall
8	Consultations with Traditional Leaders on the 2023/2024 IDP	19 October 2023: Bulwer Community Services Centre

Table 41

The Combined Quarterly Ward Committee meeting was held on 20 October 2023 at Bulwer Community Hall.

On Tuesday, 18/06/2024 the Department of Cooperate Governance and Traditional Affairs in KZN, Public Participation Directorate visited the municipality to conduct its fourth verification on the functionality of Ward Committees for quarter 04, of 2023/2024 financial year. The municipality still

awaits the outcomes of the verification from Cogta and are not yet released. However, during verification process, the below mentioned errors were picked;

- Ward 03 Councillor SG Mkhize signed the attendance register of the ward committee meeting that took place on February 2024. However, the minutes of that meeting indicated that Cllr Mkhize was no part of the said meeting.
- Ward 04 community meeting was not convened by the Ward Councillor instead the Cllr was an invitee.
- Ward 06 community meeting that was convened by Ward Councillor Dlamini had 01 item which was a By-election of Ward Committee member, as they had a vacancy in a Disability portfolio. Cogta officials argued that the said meeting did not talk to service delivery matters as per the Public Participation Strategy.
- The attendance registers of Ward 09 Committee meetings were not corresponding due to the signatures of Ward 09 Councillor BB Khathi that are not the same.
- Ward Councillors sits the Ward Committee meetings or community meetings not as per their Ward Operational Plan.

ITEM NO.	PARTICIPATION OF WARD COMMITTEE MEMBERS IN MUNICIPAL PUBLIC PARTICIPATION PROGRAMME	DATE & VENUE
1.	Community requests from 2024/2025 IDP/Budget roadshows held jointly by Harry Gwala District and Dr Nkosazana Dlamini-Zuma Municipality at the these areas:	<p>09 April 2024 : Mqatsheni community hall; Ward 1</p> <p>10 April 2024 : Himeville community hall; Ward 2</p> <p>10 April 2024 : Underberg community hall; Ward 3</p> <p>11 April 2024 : Magcakini community hall; Ward 4</p> <p>11 April 2024: Zidweni community hall; Ward 5</p> <p>16 April 2024: Tafuleni community hall; Ward 9</p> <p>16 April 2024: Mnyamana community hall; Ward 12</p> <p>17 April 2024 : Xosheyakhe community hall; Ward 10</p> <p>17 April 2024: Nkumba community hall; Ward 11</p> <p>18 April 2024: Sokhela community hall; Ward 13</p> <p>18 April 2024: Mjila community hall; Ward 14</p> <p>19 April 2024: Mwaneni community hall; Ward 8</p> <p>23 April 2024: Bulwer/ Donnybrook Stakeholders: Bulwer Community Hall: Ward 10</p> <p>24 April 2024: Creighton Stakeholders: Creighton Council Chamber: Ward 14</p> <p>25 April 2024: Underberg/Himeville Stakeholders: Underberg Country Club: Ward 3</p> <p>02 May 2024: Ndumakude Community Hall: Ward 6</p> <p>02 May 2024: Mnqundekweni Community Hall: Ward 7</p> <p>03 May 2024: KwaSawoti Community Hall: Ward 15</p>

ITEM NO.	PARTICIPATION OF WARD COMMITTEE MEMBERS IN MUNICIPAL PUBLIC PARTICIPATION PROGRAMME	DATE& VENUE
	Harry Gwala District Speakers Forum.	30 April 2024: Microsoft Teams
	Community protest against the Eskom that is allegedly removed the electricity meters at the homesteads of community members.	11 May 2024: Kumkani VD: Ward 8
	<ul style="list-style-type: none"> • Public protest against the Ward Cllr who is allegedly committing nepotism in the P419 road construction project. • Verification of the functionality of Ward Councilors and Ward Committees • Dr. NDZ LM Rapid Response Team meeting. • Combined Ward Committee Quarterly meeting. 	14 June 2024: Edrayini area, Ward 09 18 June 2024: Creighton Council Chambers 26 June 2024: Creighton Council Chambers. 27 June 2024: Bulwer Community Hall.

Table 42

2.7.5 Participation of Amakhosi in Council and its Committees

There is participation of Amakhosi in Council Meetings which is in line with section 81 of the Municipal Systems Act, two of Traditional Leaders serve in Council namely:

- Inkosi Mkhulise.
- Inkosi Molefe

The Council has discussed the amendments made to Section 81 of the Municipal Structures Act on the participation of Amakhosi in Portfolio Committee. The Council resolved to allocate the eleven Traditional Leaders/ Amakhosi to different Portfolio Committees as per guidelines from Cogta. The office of the Municipal Manager and the Speaker played a significant role in ensuring that the relations between the municipality and Traditional Leaders are improved. The municipality has allocated the Personal Assistant to the Speaker to serve as a Protocol Officer responsible for Traditional Leaders. More budget had also been allocated to accommodate the participation of Amakhosi in municipal programmes.

2.7.6 Communications

Communication Strategy, Public Participation, Customer Care and Ward Committee policies were developed internally and are reviewed by Council on the 21st May 2024 and have been approved with other Council policies on 21 May 2024. The Municipality Communication Strategy deals with external

- Municipal library
- Online Newsletters
- Postal notices to organized groups
- Local newspapers and radio broadcasting
- Website
- Traditional Leadership Structures Meetings
- IDP and Budget Roadshows
- Council meetings

The unit has been capacitated by an additional Principal Clerk: Communications who will amongst other responsibilities be hands-on on managing and administrating all social media pages, websites updates, and drafting content for the bi-annual newsletters. The Communications Unit has planned eight radio slots and two TV slots to showcase municipal programmes/ events. communication methods such as radio slots, newsletters, pamphlets, loud hailing and social media. In order for the municipality to effectively disseminate information notices for are issued in the prominent places.

2.7.7 Intergovernmental Relations

Inter-governmental relations with most sector departments remains relatively good through the Local Aids Council, however there is room for improvement within the Harry Gwala DM and in the planning and budget alignment of programmes and projects. The municipality has a dedicated IGR official and quarterly reports will be presented to Council as per the IDP assessment by the MEC: Cogta. The Public Participation Office will be responsible to compile report on the participation of Political Office Bearers, Senior Managers, Middle Managers and other Officials who are members of the District Development Models (DDM). This report will indicate the number of meetings that were attended on a quarterly basis.

The municipality participates in the IGR/ District Development Model clusters structures that are coordinated at a district level, and provincial level namely:

- The Premier's Coordination forum (PCF) (Provincial Level) that is coordinated by the Office of the Premier.
- Mayors Forum
- Municipal Managers Forum
- Speakers Forum
- Infrastructure Development Forum
- District Area Finance Forum

- Corporate Services Forum
- Communications Forum
- District and Provincial Public Participation Forum

2.7.7.1 IGR/ OR DISTRICT DEVELOPMENT MODEL MEETINGS PARTICIPATION

The municipality have a good working relations with private sector, government departments and non- profit organizations or non-governmental organizations. In December 2022, the joint Political and Technical Hub had a meeting that consisted of all clusters whereby Dr. NDZ LM was represented by the following:

- 2.7.7.1.1 Mayor Cllr S. Msomi,
- 2.7.7.1.2 Hon. Speaker Cllr SS Phoswa,
- 2.7.7.1.3 Municipal Manager Mr. NC Vezi
- 2.7.7.1.4 PWBS HOD Mr. V Mngadi,
- 2.7.7.1.5 Corporate Services HOD Mr. JS Sondezi
- 2.7.7.1.6 Community Safety Manager Mr. W Dlamini
- 2.7.7.1.7 Chief Traffic Officer: Mr. KE Dlomo
- 2.7.7.1.8 CFO Mr. P Mtungwa,
- 2.7.7.1.9 Strategic Support Services Manager Mrs. NN Vakalisa

On the 06th of February 2023, the Governance, State Capacity, Institutional Development Cluster chaired by the Mayor: PS Msomi had its meeting at Ixopo: Soweto Community Hall the representatives that forms part of this Committee/Cluster are as follows:

- 2.7.7.1.10 Mrs. NN Vakalisa
- 2.7.7.1.11 Mr. P Mtungwa
- 2.7.7.1.12 Mr. JS Sondezi from Dr. Nkosazana Dlamini Zuma Local Municipality:

The Department of Transport held a meeting with Dr. Nkosazana Dlamini Zuma Local Municipality Public Participation at Creighton Small Boardroom on the 04th of April 2023 with regards to the establishment of Transportation Committees and also to find an amicable working relations between the Municipal Public Works and Basic Services Department and the Department of Transport as they both provide the same service or function to the communities which are roads.

On the 25th of June 2024, the Governance, State Capacity, Institutional Development Cluster chaired by Mr. NC Vezi sat its meeting via Microsoft Teams, the representatives who are, Mrs. NN Vakalisa and Mr. J Sondezi from Dr. Nkosazana Dlamini Zuma Local Municipality were in attendance. The meeting for Planners Forum, and Infrastructure Forum sat its meeting that was scheduled for the 13th of June 2024 at Harry Gwala District Municipality Council Chamber, the representatives from Dr. NDZ LM who sit in this cluster are Mrs. T. Dawe, Mr. V. Mngadi and Mr. Z. Dlamini were in attendance.

The meeting for Technical and Social Clusters did not sit in quarter 04 of 2023/2024 financial year. Political Hub forum was scheduled to sit on the 22nd May 2024 via Microsoft Teams, the Mayor of Dr. Nkosazana Dlamini Zuma Local Municipality, Cllr PS Msomi were in attendance.

The Justice Cluster sat its meeting at Ubuhlebezwe Local Municipality Council Chambers and the representatives who are Mr. W. Dlamini and Mr. K. Dlomo were in attendance.

JOINT ECONOMIC SECTORS AND INFRASTRUCTURE DEVELOPMENT CLUSTER & JUSTICE, CRIME PREVENTION AND SECURITY

The Joint Sub-Cluster (DDM) sat on 6 February 2023 and was attended by the Community Safety Manager: Mr. MW Dlamini. On the 25th of June 2024, the Governance, State Capacity, Institutional Development Cluster chaired by Mr. NC Vezi sat its meeting via Microsoft Teams, the representatives who are, Mrs. NN Vakalisa and Mr. J Sondezi from Dr. Nkosazana Dlamini Zuma Local Municipality were in attendance. The meeting for Planners Forum, and Infrastructure Forum sat its meeting that was scheduled for the 13th of June 2024 at Harry Gwala District Municipality Council Chamber, the representatives from Dr. NDZ LM who sit in this cluster are Mrs. T. Dawe, Mr. V. Mngadi and Mr. Z. Dlamini were in attendance. The meeting for Technical and Social Clusters did not sit in quarter 04 of 2023/2024 financial year. Political Hub forum was scheduled to sit on the 22nd May 2024 via Microsoft Teams, the Mayor of Dr. Nkosazana Dlamini Zuma Local Municipality, Cllr PS Msomi were in attendance. The Justice Cluster sat its meeting at Ubuhlebezwe Local Municipality Council Chambers and the representatives who are Mr. W. Dlamini and Mr. K. Dlomo were in attendance.

The IDP Representative Forum

The municipality convened the Local IDP Representative Forum on 15 March 2024 whereby the following government departments were present:

1. Department of Health
2. Department of Social Development
3. Cogta

The draft IDP for 2023/24 financial year was presented together with the schedule of IDP/Budget Roadshows.

The Local Aids Council

This Committee is chaired by the Mayor and its meeting for Quarter 3 of 2022/23 was held on 15 March 2024 at the Bulwer CSC with the representatives from local offices of Sector Departments.

- ❖ On the 10th of August 2023, the Governance, State Capacity, Institutional Development Cluster sat its meeting at Harry Gwala District Municipality Council Chamber, the representatives who are, Mrs. NN Vakalisa, and Mr. P Mtungwa from Dr. Nkosazana Dlamini Zuma Local Municipality were in attendance.
- ❖ The meeting for Planners Forum, and Infrastructure Forum that was scheduled for the 07th of September 2023 at Greater Kokstad Local Municipality Council Chamber was postponed, the representatives from Dr. NDZ LM who sit in this cluster are Mrs. T. Dawe, Mr. V. Mngadi and Mr. Z. Dlamini. The meeting for Technical and Political Hub forums which were also scheduled to sit on the 07th September 2023 at Umzimkhulu LM were postponed.
- ❖ The Justice Cluster sat its meeting at Ubuhlebezwe Local Municipality Council Chambers and the representatives who are Mr. W. Dlamini and Mr. K. Dlomo were in attendance.

MUNICIPAL RAPID RESPONSE

The Municipal Rapid Response Team was held on 08 September 2023 and 08 December 2023 and the two items were discussed: Donnybrook CBD land issue. There was no service delivery related protest that took place during the quarter. The Municipal Rapid Response Team was held on 26 June 2024 at Creighton Council Chambers and the three items were discussed: Customer care report, Community requests on service delivery issues received through ward committee reports, and the report on public protests within Dr. NDZ LM. At least in this quarter, the municipality experienced 02 service delivery related protests which were both non-violent.

2.8 COMPONENT D

2.8.1 Corporate Governance

AUDIT AND PERFORMANCE AUDIT COMMITTEE & INTERNAL AUDIT

The Municipality has established an Audit and Performance Audit Committee as required by section 166 of the MFMA .

The Composition off the Audit Committee:

I. Mr Ashley Gonzalves (Chairperson)

II. Mr Simiso Ngidi

III. Mrs Vuyokazi Dusubana

IV. Ms Nomonde Gedze

The Audit and Performance Audit Committee sits on a quarterly basis in line with the Audit and Performance Audit Committee charter unless there is a need for special meeting. The Municipality has established an Internal Audit unit as required by section 165 of the MFMA. The Unit is comprised of the Internal Audit Manager, one Internal Audit Officer and One Internal Audit clerk. The Internal Audit unit has developed an Audit Committee Charter, Internal Audit Charter, Methodology and a Risk based Internal Audit Plan which was approved by the Audit Committee on the 27June 2023.

The Internal Audit plan was prepared in line with S165(2)(a) of the MFMA . The Plan includes risk based audit, mandatory audits and adhoc audits which are limited to 4% of the plan due the limited resources. The Internal Audit unit will be co-sourced, a panel of internal auditors will be appointed to assist in technical audits and risk management audits since the Manager is currently heading both Risk and Internal Audit.

The follow ups are done on AG, APAC and IA recommendations, they are monitored on a monthly basis and the status on its implementation is presented to the Audit Committee.

2.8.2 RISK MANAGEMENT

In line with the Enterprise Risk Management Framework the following documents have been developed and approved by Council: The Risk Management Policy, Risk Management Strategy and the Risk Management Implementation Plan and Fraud prevention plan. The

Municipality has done its risk assessments in line with the National Treasury regulations TR 3.2.1. for the 2023/2024 financial year. The Municipality has developed the following risk profiles: Strategic, Operational, OHS, ICT, Project, and Fraud. The documents have been presented to the Risk Management Committee and the Risk Committee Chairperson has presented them to the Audit Committee and Council.

These risk profiles are monitored by the risk management unit on a monthly basis. The Risk

Champions present the departmental status core on a monthly basis in their departmental meetings. The Senior Managers present the quarterly status core to the Risk Management Committee. The municipality is in the process of capacitating the risk unit, currently there is a Risk Management Officer and the interviews have been done to fill the position of the Risk Management Intern.

The Risk Management unit is committed in benchmarking with other Municipalities who have a high maturity level in terms of its risk profiles, and strengthening our governance processes. In line with the risk management strategy the risk management unit will conduct quarterly anti-fraud and anti-corruption awareness campaigns. The unit has developed a whistle blowing policy, an institutional gift policy and gift register. The Municipality is currently utilizing the National Anti-Fraud and Corruption Hotline Number

on 0800 701 701 To Public Service Commission (PSC) which is workshopped to all employees on an annual basis.

RISK MANAGEMENT PUBLIC NOTICE

PLEASE BE ADVISED THAT ADVERTISED POST OR TENDERS ARE NOT FOR SALE!

SHOULD ANYONE PROMISE YOU A JOB OR TENDER IN RETURN FOR MONEY, OR ASK FOR MONEY TO BE DEPOSITED INTO AN ACCOUNT IN EXCHANGE FOR PROMISED JOBS OR TENDERS, PLEASE REPORT THE INCIDENT TO THE RISK MANAGEMENT UNIT OF DR. NKOSAZANA DLAMINI ZUMA LOCAL MUNICIPALITY, FOR THE ATTENTION OF MS NOLLY NWABISA MTINTSO MANAGER, RISK AND INTERNAL AUDIT(039 833 1038)

OR REPORT THE INCIDENT TO THE NATIONAL ANTI-FRAUD AND CORRUPTION HOTLINE NUMBER ON 0800701 701 TO PUBLIC SERVICE COMMISSION (PSC)

ANTI-FRAUD AND CORRUPTION BILLBOARD

The billboard is erected in all NDZ satellite offices, Creighton, Bulwer, Underberg and Himeville

ANTI-FRAUD AND CORRUPTION EMAIL BANNER

ALL NDZ employees should insert the email banner on their emailing signature

ANTI-FRAUD AND CORRUPTION CAR STICKERS

The stickers will be distributed during the anti-fraud and corruption awareness campaigns

The following were Anti-Fraud and corruption awareness's done 2023/2024:





Quarter 1 of 2023/24 Creighton Animal Pound:

The antifraud and corruption awareness was conducted at the Creighton Animal Pound. The workshop related to encouraging employees to report acts of fraud and corruption and unethical behavior to the Municipal Manager and or the PSC hotline. Emphasis was also placed on discouraging the receipt of gifts. The staff members were also taken through the process of accepting gifts.

The unit also shared pamphlets which speaks to DR NDZ having a zero tolerance to fraud and corruption and that jobs and tenders are not for sale.



Quarter 2 of 2023/24-Creighton Council Chamber:

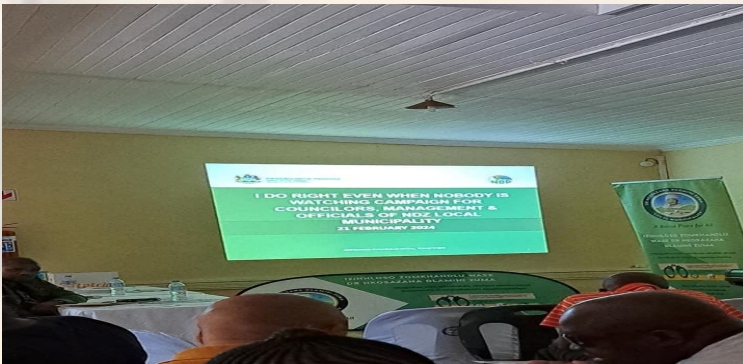
Risk management unit conducted a workshop on Fraud prevention policy to municipal employees.

The workshop related to encouraging employees to report acts of fraud and corruption and unethical behavior to the Municipal Manager or the PSC hotline. Emphasis was also placed on discouraging the receipt of gifts without declaration and approval of acceptance by Management. The staff members were also encouraged to utilize email banner every time when sending emails out. The unit also shared pamphlets which speaks to DR NDZ having a zero tolerance to fraud and corruption and that jobs and tenders are not for sale.



Quarter 3 of 2023/24-Creighton Hall

The municipality hosted the I do right even when nobody is watching campaign for Councillors, Management, and officials. The campaign was led by office of the premier together with Special Investigation Unit and Corporative Governance and Traditional Affairs. The content of the presentation made by Office of the Premier representative was to emphasize the importance of ethics in workplace, managing conflict of interest and approaches of dealing with misconducts. The Special Investigating Unit presented their role in combating fraud and corruption in state institutions, lastly the role of Corporative Governance and Traditional Affairs in fighting fraud and corruption in Local Government.





Quarter 4 of 2023/24 -Fraud Risk Assessment:

Fraud risk assessment was conducted as per section 10.1 (b) detecting procedures in the approved anti- fraud and corruption strategy. The assessment was attended by middle and senior management, there was a discussion on what constitute as fraud then existing controls and ratings were thoroughly reviewed, and new mitigation plans were inserted. Furthermore, management and Risk champions were encouraged to report quarterly on the implementation of these mitigation plans.



TOP TEN STRATEGIC RISKS

1. Inability to attract and retain critical scarce technical and suitable skills to the municipality to fulfil its mandate
2. Inability to timely recover normal business operations in the event of a disaster / disruptions
3. Vulnerability to fraud and corruption
4. Inability to achieve the goals as set on the 5year strategy (IDP)
5. Inability to meet service delivery needs and requirements
6. Failure to create an enabling environment to develop and grow the local economy
7. Uncoordinated planning for future development
8. Inadequate Public Participation
9. Failure to provide direction on information technology governance
10. Possible failure to prevent cyber security attacks

TOP TEN OPERATIONAL RISKS

1. Ineffective occupational health and safety management
2. Failure to handover projects
3. Inefficient budgeting
4. Inadequate change management
5. Ineffective legal services
6. Ineffective security system within the municipality
7. Ineffective implementation of records management process
8. Invasion of municipal owned land by the community
9. Inability to fully meet the Special need of the Community
10. Inability to Sustain, nurture and expose the identified talent

Dr Nkosazana Dlamini Zuma Local Municipality

Audit and Performance Audit Committee Report for the year ended 30 June 2024

The Audit and Performance Audit Committee (“the Committee”) presents its report for the year ended 30th of June 2024.

Audit Committee Responsibility

The Committee reports that it has complied with its responsibilities arising from section 166 of the MFMA. Furthermore, it has adopted formal terms of reference as its Audit Committee charter, has regulated its affairs in compliance with this charter, and discharged all its responsibilities as contained therein during the year.

Audit Committee Members and Attendance

The Committee consisting of the following four (4) members listed hereunder has met at least four (4) times per annum as per its approved terms of reference. Seven (7) meetings were held during the fiscal year.

Name of Member	Number of Meetings Attended
Mr. A.D Gonzalves	7/7
Ms. V Dusubana	6/7
Ms. N Gedze	7/7
Mr. S Ngidi	7/7

All members are external and therefore independent with no conflicts of interests being reported.

Audit Committee Meetings

The Committee held its meetings as follows:

Meeting	Date	Type of meeting
1.	17 August 2023	Ordinary
2.	28 August 2023	Special
3.	30 August 2023	Special
4.	05 December 2023	Ordinary
5.	18 March 2024	Ordinary
6.	19 June 2024	Ordinary
7.	26 June 2024	Special

The Committee held meetings with the Accounting Officer, senior Management of the municipality, Internal Audit and the Auditor-General of South Africa (AGSA) collectively and individually, on matters related to governance, internal control, and risk in the municipality, throughout the reporting period. The Chairperson of the MPAC is a standard invitee to our meeting and is encouraged to attend some of our meetings. The Chairperson of the Risk Management Committee attended our meetings to present his quarterly reports on risk management. Representatives from the AGSA, and CoGTA attended some of the meetings.

The Effectiveness of Internal Controls

An assessment of the findings identified by Internal Audit as well as the audit and management reports presented to the Committee by the Auditor-General of South Africa (AGSA), reveals that the internal control environment, risk management, and governance processes are partially adequate and partially effective, with room for improvement. The committee recommends improvement in control activities over compliance monitoring of year-end financial and performance reporting. Furthermore, regular management and supervisory activities must be undertaken to improve year-end financial and performance reporting.

The Committee is satisfied that Internal Audit provided assurance in terms of governance, risk management, and control as per the approved risk-based audit plan. At the end of the financial year, the following internal audit engagements were reported as complete as per the approved risk-based audit plan:

- Annual Financial Statement Review;
- Annual Performance Information Report Review;
- Annual Report Review;

- Budget Management Review;
- Follow Review: AGSA and Internal Audit Findings;
- Interim Financial Statement Review;
- Inventory Management Review;
- Local Economic Development Review
- Occupational Health and Safety Review;
- Quarterly Performance Information Report Reviews;
- Revenue Management Review
- Supply Chain Management Review; and
- Waste Management Review.

In-Year Management and Monthly/Quarterly Reports

The municipality has reported quarterly to the National Treasury and the Council as required by the MFMA. The committee as well as assurance providers provided management with recommendations to improve the quality of financial and non-financial information reporting (performance information, information communication technology, risk management, human resource management, legal, and compliance) during the year under review.

Evaluation of Annual Financial Statements and Performance Report

The Committee has reviewed:

- The unaudited annual financial statements, with due consideration of the independent assurance provided by Internal Audit as well as the assurance provided by Management;
- Changes in accounting policies and practices;
- Compliance with legal and regulatory provisions;
- The basis for the going concern assumption, including any financial sustainability risks and issues;
- The unaudited annual performance information on predetermined objectives with due consideration of the independent assurance provided by the internal audit function as well as the assurance provided by Management;
- The AGSA audit and management reports, with due consideration of the responses provided by Management; and
- The audited financial statements as well as the information on predetermined objectives to be included in the annual report for any significant adjustments resulting from the audit and reported to the Accounting Officer.

Auditor-General of South Africa (AGSA) Report

The Committee met with the AGSA to ensure that there are no unresolved issues. The Committee concurs with the conclusions of the AGSA on the annual financial statements and is of the opinion that the audited annual financial statements may be read together with the audit report of the AGSA.

Conclusion

The Committee expresses its appreciation to Council and the Accounting Officer for their leadership and support as well as all other assurance providers. The Committee recommends that Management address the aforementioned concerns raised by the Committee as well as the audit findings identified by Internal Audit and the material findings identified by AGSA relating to compliance, by addressing the root cause of the control deficiencies in pursuit of a clean audit outcome.



Chairman: Audit Committee

A.D Gonzalves

05 December 2024

2.9 OVERVIEW SUPPLY CHAIN MANAGEMENT

The purpose of the Supply Chain Management (SCM) policy is to give effect to the five pillars of procurement, i.e. it must be fair, equitable, transparent, competitive and cost effective, as well as to give effect to the enabling legislation, regulations and strategies to modernize procurement, provisioning and related functions. The SCM Policy was initially developed and implemented to give effect to the SCM Regulations of 1 October 2005. The Policy was reviewed on 21 May 2024; Dr Nkosazana Dlamini Zuma Local Municipality has established a Supply Chain Management Unit in line with the internal Supply Chain Management (SCM) Policy. The Dr Nkosazana Dlamini Zuma Local Municipality SCM Policy has been designed to be fair, equitable, transparent, competitive and cost effective. The Policy does comply with the prescribed regulatory framework for municipal supply chain. There is a range of supply chain management processes, which includes bids, quotations, disposals and deviations. The Policy does specify which processes must be followed for each range of procurement. There are procedures and mechanisms in place for each type of procurement process that is required to be followed. There is flexibility in the process for cases of emergencies and if the contract is below the prescribed thresholds. Bid Administration is strictly adhered to when advertising, opening, registering, recording, evaluating and adjudicating tenders. The final terms of the contracts are negotiated in certain circumstances. Annually Officials and Councilors are required to disclose any conflicts of interests and any business interests they may have. The SCM System ensures that no persons who are not officials of the Municipality are involved in the procurement and tender processes. Councilors are prohibited from participating in the tender process. The Municipality has also prohibited persons who were previously convicted of fraud and corruption during the past five (5) years, who have failed on a contract in the past five (5) years, and whose tax matters have not been cleared by the South African Revenue Services from participating in the Municipal procurement process. Measures have been put in place to combat fraud and corruption. The Municipality has high ethical values.

2.9.1 Supply Chain Management

Municipal SCM Regulation 6 (2) (a) requires that municipal council should maintain oversight over the implementation of Supply chain management policy. Therefore, the Accounting Officer must within 30 days of each financial year submit a report on implementation of the supply chain policy to the Council. Subsection (4) further states that the report must be made public in accordance with section 21A of the Municipal System Act.

2.9.2 FUNCTIONS OF THE SCM UNIT

SUPPLY CHAIN MANAGEMENT

The Supply Chain Management unit functions under the direct supervision of the Chief Financial Officer and led by SCM Manager.

The structure of the Supply Chain Management unit covers the following elements within Supply Chain Management:

- ❖ Demand Management : Demand planning, specifications and
 - Procurement of goods and services
 - Above R 30 000.00 procurement section
- ❖ Acquisition Management : Procurement of goods and services below
 - R 30 000.00 purchases section
- ❖ Logistics Management : inventory management and Municipal
 - Stores.
- ❖ Contract management : monitoring the performance of contracts
 - Procured through the SCM process.

The staff establishment in the Supply Chain Management unit consists of a total number of eleven positions as per the attached organogram which is led by SCM Manager followed by the following Officials,

- ▶ SCM Acquisition Officer
- ▶ SCM Demand Officer and
- ▶ Contract Management Officer

Training of SCM officials

Competency of level of the Supply Chain Management unit

The Municipal regulations on minimum competency levels require a certain competency level for officials involved in the implementation of the Supply Chain Management Policy. All 11 officials are competent and have met the minimum requirements competency level for Supply Chain Management. Moreover, all SCM officials have attended refresher SCM training on new SCM developments.

2.9.3 BID COMMITTEE SYSTEM

The bid committee system for competitive bids is functional within the Municipality. The bid committee system includes a Bid Specification, Bid Evaluation, and a Bid Adjudication committee. These committees have been properly constituted and duly appointed and delegated to ensure that the roles and responsibilities of each committee are properly executed.

All procurement of goods and services above R 300 000.00, long-term contracts and Transversal contracts were approved by the bid committee system.

Awards through bid committee system and formal written price quotations above R 300 000.00 in terms of the SCM policy for 2023/2024 financial year.

Annexure B (Bid and quotation register attached)

Procurement function	NO. 2023/2024
Awarded bids	46
Transversal contracts	8
Panel Orders	112
Formal written price quotations	61
Total bids and formal written price quotations awarded	R 64 250 479,70
Transversal orders value	R 9 512 187,05
Panel Orders value	R 36 710 221,02
Estimated Value of awards	R 110 472 888,00

Table 43

2.9.4 DEVIATION AND MINOR BREACHES FROM PROCUREMENT PROCESSES

According to SCM policy regulation 36 the Accounting Officer may deviate with the official procurement processes established by this Policy and procure any required goods or services through any convenient process, which may include direct negotiations, but only:

- ❖ in an emergency.
- ❖ if such goods or services are produced or available from a single provider only.
- ❖ for the acquisition of special works of art or historical objects where specifications are difficult to compile.
- ❖ acquisition of animals for zoos and/or botanical specimens for nature and game reserves; or
- ❖ in any other exceptional case where it is impractical or impossible to follow the official procurement processes

The following deviations must be included as a note in the Annual Financial Statements

SUMMARY FOR THE YEAR 2023/2024

Impractical to follow the SCM process	R 1 361 669, 57
Emergency	R 74 819, 00
Sole Supplier	R 16 086, 18

Total amount to be disclosed R R1 466 079.

A detailed deviation registers as at 30 June 2024 is attached.

2.9.5 IRREGULAR EXPENDITURE- MFMA SECTION 32

Irregular Expenditure is defined as expenditure incurred in contravention of the Municipal Financial Management Act, Municipal Systems Act, Public Office Bearers Act, or the Municipality's Supply Chain Management Policy. In terms of Section 32(4) of the MFMA the Accounting Officer must promptly notify the Mayor, the MEC for Local Government and Auditor-General must be informed of all possible irregular expenditure incurred by the municipality.

For the 2023/2024 financial year, there was R103 380 irregular expenditure incurred

Fruitless and wasteful Expenditure incurred is R4 705 to be disclosed in the Annual Financial statements.

Unauthorised expenditure amount R26 619 260

2.9.6 SUPPLY CHAIN MANAGEMENT REGULATION 45

Award to close family members of persons in the service of the state.

According to Municipal SCM regulation 45, any award above R 2 000 (VAT included) to a family of employees in the service of the state must be disclosed in the Annual Financial statements.

The following is the list as recorded in the declaration of interest form:

- ❖ Patricia Daya (Department of Education Therapist) R212 175,00

Dr. Nkosazana Dlamini Zuma Municipality has been implementing the Supply Chain Management Regulations thoroughly through Supply Chain Management Policy. Combating irregular expenditure will continue to be a key area of focus in implementation of Supply Chain Management within the Municipality. Dr Nkosazana Dlamini Zuma Municipality will continuously strive to not only ensure compliance with legislations, but to also improve administrative efficiency and support growth of local providers. And giving effect to its constitutional mandate in terms of Section 152 of the constitution.

The SCM report was presented to all oversight structures with the following resolutions to be endorsed.

- ❖ That the Supply Chain Management implementation report for the 2023/2024 financial year submitted in terms of paragraph 6 (2)(a) of the Supply Chain Management policy, to be noted.
- ❖ That the schedules of deviations to be disclosed as a note to the annual financial statements for 2023/2024 financial year.
- ❖ That the awards to close family members of persons in the service of the state, to be disclosed as a note to the annual financial statements.



CHAPTER 3

3.1 KPA: BASIC SERVICE DELIVERY

INTRODUCTION

The Public Works and Basic Services (PWBS) Department is responsible for the development and implementation of processes, systems and strategies designed to procure and sustain infrastructural capacity required by the Municipality in its quest to provide quality services to the community as well as ensuring that resources at the Municipality's disposal are equitably distributed to all areas of operation to enhance service delivery to benefit the people.

The Public Works and Basic Services Department has 5 units that are structured as follows:

UNITS	FUNCTIONS
1. Project Management Unit (PMU)	<p>This unit deals with the implementation and management of Capital projects which cover the following assets:</p> <ul style="list-style-type: none">• Construction of Roads and Storm water<ul style="list-style-type: none">○ Gravel Access Roads○ Paved Access Roads○ Bus Shelters○ Bridges○ Side walks○ Storm water• Community Amenities<ul style="list-style-type: none">○ Community Halls○ Crèches○ Taxi Ranks○ Sports facilities• Municipal Buildings/ Facilities• Town Upgrades <p>This unit also deals with the implementation and management of Expanded Public Works Program (EPWP)</p>
2. Electrical Unit	<p>This unit deals with the implementation and management of the following projects</p> <ul style="list-style-type: none">• Electrification of House-holds (Infills)

UNITS	FUNCTIONS
	<ul style="list-style-type: none"> • Installation and Maintenance of street lights • Maintenance of Municipal Building electrical installations • Installations and maintenance of Air conditioners on municipal Facilities. • Installation and Maintenance of Generators within the municipal facilities.
<p>3. Human Settlement unit</p>	<p>This unit deals with the implementation and management of the following programs:</p> <ul style="list-style-type: none"> • Facilitation of Rural in-situ, Greenfields and OSS Housing Development. • Maintenance and renovations of Municipal Buildings and Community Facilities.
<p>4. Environmental Management Unit</p>	<p>This unit deals with the implementation and management of the following programs:</p> <ul style="list-style-type: none"> • Provision of Solid Waste Management Service <ul style="list-style-type: none"> ○ Collection ○ Recycling ○ Community Awareness ○ Management of waste Disposal Facilities • Environmental Management service <ul style="list-style-type: none"> ○ Environmental Planning ○ Greening ○ Management of Evasive Alien Plant ○ Environmental empowerment
<p>5. Roads and Storm water</p>	<p>This unit deals with the management and implementation of the following programs:</p> <ul style="list-style-type: none"> • Maintenance of road network within Dr NDZ • Maintenance of Storm water infrastructure

UNITS	FUNCTIONS
	<ul style="list-style-type: none"> Road Verge Maintenance

Table 44

3.2 FUNDING SOURCES

The Municipality receives funding from the following sources to implement and maintain the infrastructure assets with its jurisdiction.

- Municipal Infrastructure Grant (MIG)
- Expanded Public Works Program (EPWP)
- Integrated National Electrification Program (INEP)
- Equitable Share
- EDTEA
- Small Towns Rehabilitation Grant
- Sports and Recreation Infrastructure Grant

3.3 (PMU) SERVICE-DELIVERY PROJECTS AND ACTIVITIES

The municipality implemented the following Capital Infrastructure projects during the 2023/24 financial year through its PMU. The following activities were conducted/ facilitated by the unit

- Conducting assessment to review the viability of projects
- Preparation of Business plans for submission to funders
- Preparation of Designs
- Registration of projects with funders
- Preparation of Bid documents that include detailed specification and construction drawings
- Monitoring and evaluation during construction.
- Quality Control

3.4 ANNUAL PERFORMANCE REPORT FOR 2023/24 FINANCIAL YEAR: PUBLIC WORKS AND BASIC SERVICES DEPARTMENT

01 July 2023– 30 June 2024

Annual Performance	Targets achieved	Targets not achieved	Targets applicable in the year	Not applicable in the year
Total no of targets: 21				
Annual performance & performance in percentages	18	03	21	0
	81%	19%	100%	0%

Table 45

CATEGORY	2022/2023	2023/2024
No. of targets	23	21
Targets Achieved	16	18
Targets not achieved	07	03
% of targets not achieved	30%	19%
% of targets achieved	70%	81%

Table 46

The department is commended for the 11% improvement in terms of its performance for the current financial year when compared to the previous year's performance which was 70%.

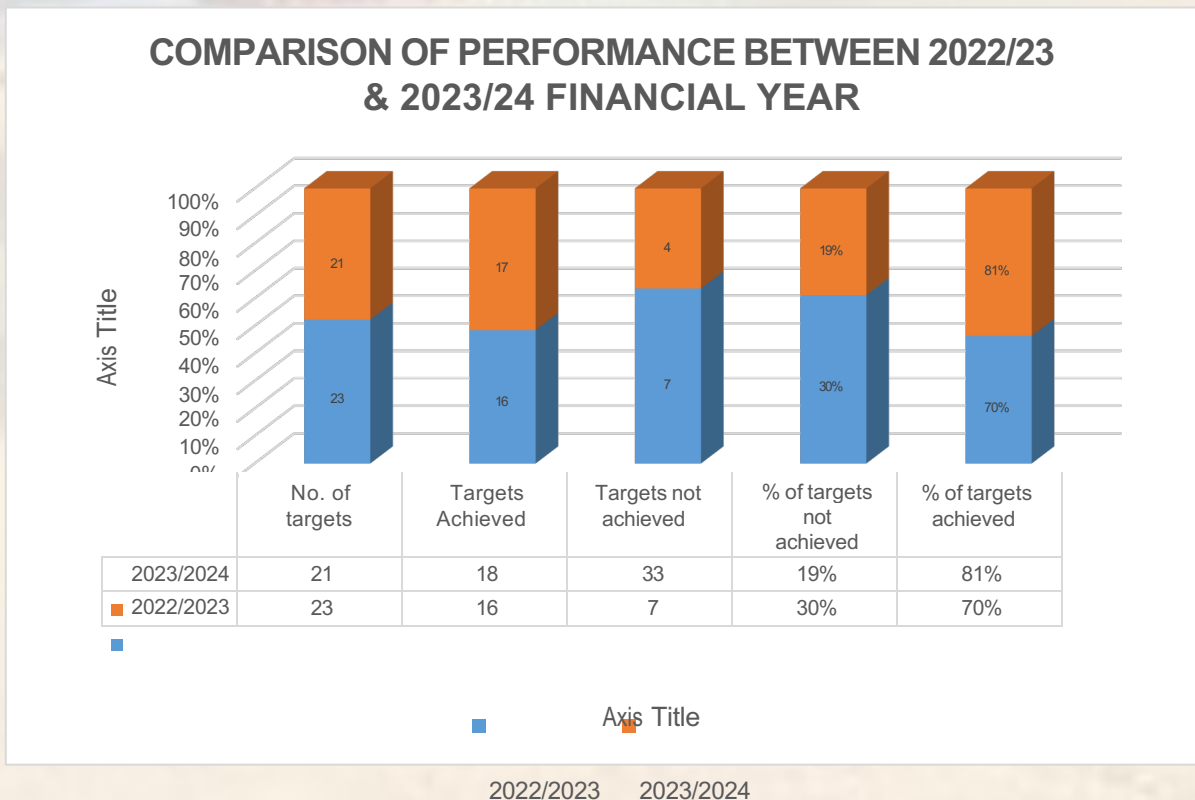


Fig 9

3.5 Construction of Gravel Access Roads

During the 2023/24 financial year we planned to construct **15 km** gravel access roads,

Project Name	Ward	Scope	Status	KM'S
Ntwasahlobo Access Road	1	<ul style="list-style-type: none"> • Clearance • roadbed formation • gravel tipping and processing • Skimming 	The project is practical complete.	1km
Mahwaqa Access Road	2	<ul style="list-style-type: none"> • Clearance • roadbed formation • gravel tipping and processing • Skimming 	The project is practical complete.	1km
Coach mans and Clot oak lane Access Road	3	<ul style="list-style-type: none"> • Clearance • roadbed formation • gravel tipping and processing • Skimming 	The project is practical complete.	0,660km
Zindweni Access Road	4	<ul style="list-style-type: none"> • Clearance • roadbed formation • gravel tipping and processing • Skimming 	The project is practical complete.	0,805km
Makubheka Access Road	5	<ul style="list-style-type: none"> • Clearance • roadbed formation • gravel tipping and processing • Skimming 	The project is practical complete.	0,895km
Kwamfundisi Access Road	6	<ul style="list-style-type: none"> • Clearance • roadbed formation • gravel tipping and processing • Skimming 	The project is practical complete.	0,850km
Magoso Access Road	7	<ul style="list-style-type: none"> • Clearance • roadbed formation • gravel tipping and processing • Skimming 	The project is practical complete.	1km

Project Name	Ward	Scope	Status	KM'S
Kolubovu Access Road	8	<ul style="list-style-type: none"> • Clearance • roadbed formation • gravel tipping and processing • Skimming 	The project is practical complete.	1,256km
Tafuleni Access Road	9	<ul style="list-style-type: none"> • Clearance • roadbed formation • gravel tipping and processing • Skimming 	The project is practical complete.	1km
Mbelu Access Road	10	<ul style="list-style-type: none"> • Clearance • roadbed formation • gravel tipping and processing • Skimming 	The project is practical complete.	0,820km
Dlamini Access Road	11	<ul style="list-style-type: none"> • Clearance • roadbed formation • gravel tipping and processing • Skimming 	The project is practical complete.	0,803km
Maphanga Access Road	12	<ul style="list-style-type: none"> • Clearance • roadbed formation • gravel tipping and processing • Skimming 	The project is practical complete.	1km
Albertina Access Road	13	<ul style="list-style-type: none"> • Clearance • roadbed formation • gravel tipping and processing • Skimming 	The project is practical complete.	1km
Junction Access Road	14	<ul style="list-style-type: none"> • Clearance • roadbed formation • gravel tipping and processing • Skimming 	The project is practical complete.	1km

Project Name	Ward	Scope	Status	KM'S
Emgxobeni Access Road	15	<ul style="list-style-type: none"> • Clearance • roadbed formation • gravel tipping and processing • Skimming 	The project is practical complete.	1km

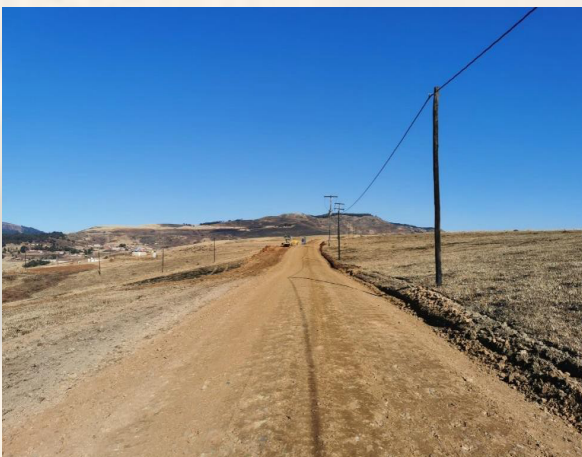
Table 46

During financial year we planned to construct 15km, but we managed to construct 14,095km due to unforeseen circumstances.

Job opportunities: Nil

The Municipality is currently using plant hire panel to construct new gravel access roads that why there was no job opportunities created.

PICTURES:







3.6 Construction of Asphalt (Paved) Roads

During the 2023/24 financial year we planned to construct **2,75 km** paved access roads, in ward 1,2,3,7,10&15.

Project Name	Ward	Scope	Status	KM'S
Bulwer Asphalt Surfacing Road Phase 8 section 2	10	<ul style="list-style-type: none"> • Layer-works • Storm-water control • road marking • road sign • guard rails 	The project is at 95% complete	0,6km
Underberg Asphalt Surfacing Road Phase 4	3	<ul style="list-style-type: none"> • Layer-works • Storm-water control • road marking • road sign 	The project is practical complete, under defect liability period which lapse on the 20 th of October 2024.	0,4km
Himeville Asphalt Surfacing Road Phase 3	2	<ul style="list-style-type: none"> • Layer-works • Storm-water control • road marking • road sign 	The project is practical complete, under defect liability period which lapse on the 30 th of December 2024.	1.75km
Underberg Concrete Surfacing Road Phase 4 section 2	3	<ul style="list-style-type: none"> • Layer-works • Storm-water control • road marking • road sign 	The project is at 15% complete	0.495km
Tarsvalley Concrete Surfacing Road	7	<ul style="list-style-type: none"> • Layer-works • Storm-water control • road marking • road sign 	The project is at 20% complete	0,3km

Project Name	Ward	Scope	Status	KM'S
Mandawe Concrete Surfacing Road	15	<ul style="list-style-type: none"> • Layer-works • Storm-water control • road marking • road sign 	The project is at 15% complete	0,4km
Mqatsheni Concrete surfacing Road	1	<ul style="list-style-type: none"> • Layer-works • Storm-water control • road marking • road sign 	The project is at 20% complete	0,480km

Table 47

During financial year we managed to meet the target.

Job opportunities: 50

Pictures:





3.7 Installation of 8 Bus Shelters

During the 2023/24 financial year we planned to supply and install 8 Bus Shelters.

Project Name	Ward	Scope	Status	No
Supply and install 8 Bus Shelters	1,2,3,4,5,6,7&8	<ul style="list-style-type: none"> ✓ Prepare 7 site for concrete slabs ✓ 20MPA concrete slab must be 4.5m x 2m and 150mm thickness x7 (with welded mesh REF. 193). ✓ Structural steel frame 7(Length-4.1m and height-2.1m), cover sheets to be IBR Chromadek (Traffic green in colour) must be 0.65mm thickness. ✓ Steel benches (4 bars equally spaces) 	The project is complete	8

Table 48

Job opportunities: 6

Pictures:



Galaxy A34 5G

3.8 Construction of pedestrian Bridges

Project Name	Ward	Target	Status
Ntwasahlobo Pedestrian Bridge	1	Submission of the final environmental impact assessment report	Submitted still ongoing.
Ndlangisa Pedestrian Bridge	5	Submission of the final environmental impact assessment report	Submitted still ongoing.
Gobhogobho Pedestrian Bridge	10	Submission of the final environmental impact assessment report	Submitted still ongoing.
Half-my-Right Pedestrian Bridge	11	Submission of the final environmental impact assessment report	Submitted still ongoing.

Table 49

3.9 Installation of storm water pipes

During the 2023/24 financial year we planned to install 100m of storm water pipes.

Project Name	Ward	M	Status
Zakhisweni Access Road Phase 2	10	10m of 900mm 5m of 600mm	complete
Bhidla Access Road	11	15m of 600mm	complete
Duma Access Road	9	15m of 600mm	complete
Matendeni Access Road	9	10m of 600mm	complete
Zekeleni Access Road	10	7,5m of 600mm	complete
Sphitheni Access Road	10	7,5m of 600mm	complete
Ezakhisweni Access Road Phase 1	10	10m of 900mm 10m of 600mm	complete
Ntokozweni Access Road	10	25m of 600mm	complete

Table 50

Job opportunities: 8

Pictures:





3.10 Construction of Community Amenities

Project Name	Ward	Scope	Status
Masameni Community Hall	15	<ul style="list-style-type: none"> • Building • ablution block • parking • borehole • fencing 	The project is practical complete
Mafohla Community Hall	11	<ul style="list-style-type: none"> • Building • ablution bloc • fencing 	The project is at 65% complete, service provide was terminated due to poor performance.
Creighton Storage	14	<ul style="list-style-type: none"> • building • ablution block • Parking • guard house • retaining wall • fencing 	The project is at 95% complete.
Lwazi Creche	8	<ul style="list-style-type: none"> • Building • Ablution block • Sickroom • 2 classrooms • Kitchen • playing area • Borehole • fencing 	The project is complete.
Sizamokuhle Creche	10	<ul style="list-style-type: none"> • Building • Ablution block • Sickroom • 2 classrooms • Kitchen • playing area • Borehole 	The project is complete.

Project Name	Ward	Scope	Status
		<ul style="list-style-type: none"> fencing 	
Gala Creche	7	<ul style="list-style-type: none"> Building Ablution block Sickroom 2 classrooms Kitchen playing area Borehole fencing 	The project is complete.
Creighton Artificial SportField Phase 2	14	<ul style="list-style-type: none"> installation of turf construction of Combo court borehole running track outdoor gym high must light 	The project is practical complete

Table 51

Job opportunities: 77

Pictures:









3.11 ELECTRIFICATION PROJECTS

During 2023/24 financial year a total of 580 household Connections were connected in all wards 1, 2,4,5,6,7,8,9,10,11,12,13,14 and 15.

Project Name	Ward	Household	Status
Electrification of greater Stepmore/Ridge Phase 6	1	0	The project is on hold due to dependence.
Electrification Of Nhlanhleni/ Goxhill Phase 6	2	0	The project is on hold due to dependence.
Electrification Of Greater Kilmun/ Cabazi Phase 6	4	40	The project is practical complete
Electrification Of Greater Khukhulela/ Nomagaga Phase 6	5	40	The project is practical complete
Electrification Of Greater Hlabeni/ Centocow Phase 6	6	30	The project is practical complete
Electrification Of Greater Gqumeni/Mnqundekweni Phase 6	7	30	The project is practical complete
Electrification Of Greater Ngwagwane Phase 6	8	55	The project is practical complete
Electrification of Greater Nkwezela Phase 6	9	40	The project is practical complete
Electrification of Greater Bulwer Phase 6	10	55	The project is practical complete
Electrification of Greater Nkumba/ Mangwaneni Phase 6	11	40	The project is practical complete
Electrification of Greater Bhidla/ Sizanenjana Phase 6	12	40	The project is practical complete
Electrification of Greater Donnybrook Phase 6	13	55	The project is practical complete
Electrification of Greater Mjila/ Creighton phase	14	30	The project is practical complete
Electrification of Greater Sandanezwe/ Masamini phase 6	15	40	The project is practical complete

Table 52

The municipality was planning to do 580 household connections, due to the issue of dependence manage to do 459 household connections.

Job opportunities: 86

3.12 Installation and maintenance of streetlight

Name of town	Description	No.	Status
Donnybrook Town	Installation of streetlights	68	complete
Creighton Town	Maintenance of streetlights	15	complete
Underberg townn	Maintenance of streetlights	40	complete
Himeville Town	Maintenance of streetlights	40	complete
Bulwer Town	Maintenance of streetlights	20	complete

Table 53

Job opportunities: 11

3.13 Installation of Air-conditioning for Municipality facilities

Project name	Description	No.	Status
Municipality facilities	installation	25	complete

Table 54

Maintenance of Municipality Generators

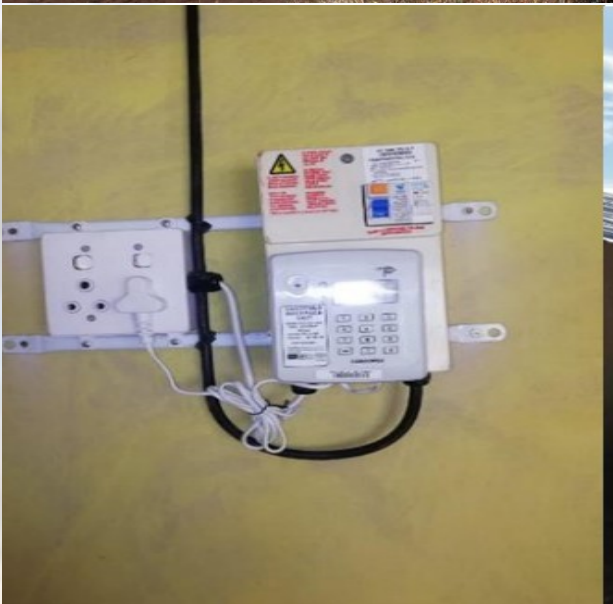
Name of satellite	Description	No.	status
Bulwer	maintenance	2	complete
Underberg	maintenance	2	complete

Table 55

PICTURES







3.14 HOUSING PROJECTS

Tar's Valley Housing Project

- Ubuhlebesu Consulting has been appointed to undertake the planning stage.
- Project Management: 60%
- Geotechnical evaluation: 100%
- Land Audit: 100%
- Environmental Impact Assessment: 85%
- Flood line Determination: 100%
- Town planning: 60%
- Civil Engineering Services: 85%
- Land Survey: 0%
- Social Facilitation: 45%

Ngcobo's Housing Project

- Stedone Development has been appointed to undertake the planning stage.
- Project Management: 50%
- Geotechnical evaluation: 100%
- Land Audit: 100%

- Environmental Impact Assessment: 80%
- Floodline Determination: 100%
- Town planning: 90%
- Civil Engineering Services: 80%
- Land Survey: 0%
- Social Facilitation: 50%

Manzamnyama Rural Housing Project

- This Project is located in ward 06 and ward 08 of Dr Nkosazana Dlamini Zuma Municipality. This Project covers 6 izigodi which are: Manzamnyama, Bhubhoyi, Esibomvini, shusha, Isibizane and Umzimkhulu. The project was awarded to Makhosi Nyoka and Associates
- To date 298 Houses have completed
- Currently the service provider is busy with beneficiary administration for 202 units

Bhidla Rural Housing Project

- 550 Houses have been constructed.

Himeville Housing Development

- The resolution for the land swap has been done
- Awaiting the attorneys to finalize the registration process at Deeds office

Underberg Housing development

- The land was registered in the Pietermaritzburg Deeds register on the 4th of December 2020 that means the land is now under the Dr Nkosazana Dlamini Zuma Municipality
- HDA has appointed by the Department of Human Settlements to undertake prefeasibility studies

NEW PROPOSED PROJECTS

- Mpumlwane / Khukhulela Housing Project 500 units (ward 05)
- Gala Housing Project 500 units (ward 07)
- Ntekaneni Housing Project 500 units (ward 13)
- Sizanenjane Housing Project 300 units (ward 12)

Housing Development Agency has appointed Pfukani Kusile Consulting to undertake the stage one specialist studies and projects packaging for the above-mentioned projects. Pfukani is currently on site.

- Kilmun housing Project 500 units (ward 04)
- Nkwezela/Dumabezwe 500 units (ward 09 ward 10)
- Zashuke housing project 500 units (ward 12)
- Qulashe housing project 500 units (ward 06)
- Nomandlovu housing project 500 units (ward 14)
- Ridge Housing project
- Masameni /Sikhesheni housing project

Currently awaiting HDA to appoint specialist to package these above-mentioned projects.

Ekhubeni Land Restitution Project (60)

This project is in ward 03 of Dr NDZ Municipality.

Progress to date:

- Service Provider appointed is SCIP Engineering Group (PTY) LTD currently busy with beneficiary admin.

Mhlangeni OSS (15 vacant sites)

Implementing agent : Isulempilo trading and projects cc

Progress to date:

- Project size is 15
- 14 beneficiaries have been approved
- Platforms cut : 14
- Slabs 14
- Walls 0
- Roofs 0
- Completion 0
- Contract expired the Department of Human Settlements will appoint a service provider to complete the project

OSS 80

Implementing Agent: Uphenyo Trading

This project is located in ward 05,06,07,08,13 and 15

Progress to Date

- Platforms cut 25
- Foundations 24
- Wall Plates 24
- Roof 24
- Completion 24
- VIP 24

Ward 15

- 45 Beneficiaries are in Privately owned land
- The memorandum of agreement has been signed by the MM currently awaiting Mr Mbanjwa to sign

- This project has been delayed by the memorandum of Agreement

OSS 64

Implementing Agent is Stedone Development

Ward no : 1,5,6,9,10,11 and 14

No of beneficiaries 64

Progress to date:

- Platforms 64
- Slabs 64
- Wall Plates 64
- Roof 64
- Completions 64

OSS 52 Houses Nkwezela

Progress to Date

- Project size is 52
- 43 beneficiaries currently approved
- Platforms cut : 20
- Slabs 12
- Walls 11
- Roofs 0
- Completions 0
- The Contract of Sihamba Sodwa expired on the 22nd of February 2023, a new service provider appointed is Tauris Gardens the department of human settlements is busy transferring the beneficiaries to Tauris Gardens.

OSS 23 Houses Junction

Implementing Agent : Imbokodo (PTY) LTD

Project no. : K14020017/87

Ward no. 14

Implementing agent : Imbokodo General Trading (PTY) LTD

Progress to Date

- Project size is 23

- Application taken: 23
- Application submitted to the DOHS: 23
- Approved beneficiaries: 23
- Platforms cut: 21
- Slabs : 21
- Wall Plate: 12
- Roofs: 10
- Completions: 0

OSS 31 Houses Seaford

This project is located in ward 13

Progress to Date

- Project size: 31
- Application approved: 26
- Platforms cut: 0
- Foundations: 0
- Wall Plate: 0
- Roofs: 0
- Completions: 0

Currently contract has expired and the Department of Human Settlements. a new service provider appointed is Tauris Gardens the department of human settlements is busy transferring the beneficiaries to Tauris Gardens

OSS 100 Houses Mangwaneni

This project is located in ward 11

The Implementing Agent appointed is Akwande Civil

Progress to date:

- Planning studies: completed
- Geotechnical investigation: completed
- Land Survey and site pegging: completed
- Structural designs: Completed
- Project Management: ongoing
- Social facilitation: ongoing
- NHBRC Enrolment is 80%

- Beneficiary administration:100%
- Memorandum of agreement is 100%
- The Service provider is finalizing the NHBRC enrolment pack

OSS 107 Mangwaneni

This project is located in ward 11

The service provider appointed is Metro Project

Progress to date:

- Geotechnical investigation has been finalized
- Land Survey and site pegging: completed
- Project Management: ongoing
- Social facilitation: ongoing
- Service provider is currently busy with NHBRC enrolment
- Application done to date : 38

OSS 195 Macabazini

This project will cover ward 10, ward 11 and ward 12

The service provider appointed is Metro Project

Progress to date:

- Geotechnical investigation has been finalized
- Land Survey and site pegging: completed
- Project Management: ongoing
- Social facilitation: ongoing
- Application done to date: 83

Disaster 200

The Implementing agent appointed is Tauris Garden trading 500 (PTY) LTD

No of Units: 200 units

Progress to date:

- Application approved: 144
- Platforms cut: 79
- Slabs: 68
- Wall Plate: 57

- Roofs:49
- Completions: 29

Dr NDZ Municipality	Wards	Number of cases received	Progress to date
Cluster 1 Service provider appointed is Acute Innovation (PTY) LTD	1,2,3,4	246	<p>The department of Human Settlements is finalizing the contract.</p> <p>80% complete geo-tech, currently awaiting results from the lab</p> <p>NHBRC enrolment will only be submitted once geo-tech report has concluded</p> <p>234 beneficiaries' applicants verified</p>
Cluster 2 Service provider appointed is Asande Projects	5,6,7,8	391	<p>The department of Human Settlements is finalizing the contract</p> <p>The service provider has done 383 GPS co-ordinates and 100 beneficiary administration</p>

Dr NDZ Municipality	Wards	Number of cases received	Progress to date
			The service provider anticipated to finalize environmental assessments by 30 July
Cluster 3 Service provider appointed is Silo Construction	9,10,11	161	Silo Construction has identified Professional service providers to do geo-tech, social facilitation and beneficiary administration
Cluster 4 Service provider appointed is CHS Development	13,14,	146	Service provider was introduced to the tribal authority on the 20 th of March currently they are busy with GPS co-ordinate
Ward 12 Service provider appointed is Chuchisanani Mzansi	Ward 12	121	Chuchisanani has been introduced to kwaBhidla currently awaiting to be introduced to kwaZashuke

Table 56

3.15 Maintenance of Municipal Buildings

Project Name	Ward	Status
Creighton Pound	14	The project is practical complete
Creighton Flats	14	The project is practical complete
Kwapitela Sport Field	2	The project is practical complete
Underberg Library	3	The project is practical complete
Mkhazini Community Hall	8	The project is practical complete
Nkumba Community Hall	11	The project is practical complete
Woodhurst Sport Field	14	The project is practical complete
Kilmon Sport Field	4	The project is practical complete

Mpumlwane Sport Field	5	The project is practical complete
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Table 57

3.16 MAINTENANCE OF ROADS

- The municipality has a plan in place in dealing with fixing of potholes in Underberg & Himeville side using general assistant employees, however municipality is still having a challenge due to in capacity & shortage of skilled teams to deal with potholes in other NDZ small towns.
- Municipality currently in the process to buy the excavator & roller to deal with the maintenance of the road infrastructures.
- The municipality has successfully managed to maintain 24,2km, infrastructure in various wards using plant Hire.

NO.	PROJECT NAME(S)	WARD NO.	COMPLETED ACTIVITY
1	MAINTENANCE OF MATHIYA ACCESS ROAD, (0.3KM)	02	RE-GRAVELING
2	MAINTENANCE OF NGOBESE ROAD(0.4KM)	02	RE-GRAVELING
3	MAINTENANCE OF NKABINDE ACCESS ROAD (0.3KM)	02	RE-GRAVELING
4	MAINTENANCE OF STONEYWAYACCESS ROAD, (0.3KM)	03	BLADING AND RE-GRAVELING
5	MAINTENANCE OF VALLEYVIEW ACCESS ROAD, (0.8KM)	03	BLADING AND RE-GRAVELING
6	MAINTENANCE OF POLOWAY ACCESS ROAD, (0,4KM)	03	RIP AND RECOMPACTION
7	MAINTENANCE OF RESERVOIR CRESCENT, (0.7KM)	03	BLADDING AND RE-GRAVELING
8	MAINTENANCE OF RIDGE, (0.2KM)	03	RIP AND RECOMPACTION
9	MAINTENANCE OF MTSWEKI ACCESS ROAD, (1.4KM)	04	BLADING AND RE-GRAVELING
10	MAINTENANCE OF PHAKAMANI ACCESS ROAD, (0.7KM)	04	BLADING AND RE-GRAVELING
11	MAINTENANCE OF OKHETHENI ACCESS ROAD, (0.4KM)	07	BLADING, ROADBED FORMATION

NO.	PROJECT NAME(S)	WARD NO.	COMPLETED ACTIVITY
12	MAINTENANCE OF FOUR TO LUSWAZI ACCESS ROAD, (0.7KM)	07	BLADING AND RE-GRAVELING
13	MAINTENANCE OF ZWELISHA ACCESS ROAD, (0.6KM)	07	RIP AND RECOMPACTION AND BLADING
14	MAINTENANCE OF MAZEKA ACCESS ROAD, (0.5KM)	07	BLADING/ ROADBED FORMATION
15	MAINTENANCE OF ZONDI TO MAZEKA ACCESS ROAD, (0.8KM)	07	BLADING/ ROADBED FORMATION
16	MAINTENANCE OF MPENGWANA ACCESS ROAD PHASE-1, (0,7M)	07	RIP AND RECOMPACTION
17	MAINTENANCE OF QULASHE ACCESS ROAD, (0,3KM)	06	RE-GRAVELING
18	MAINTENANCE OF MQATSHENI ACCESS ROAD, (1.7KM)	01	RE-GRAVELING
19	MAINTENANCE OF KHUMALO ACCESS ROAD, (1.3KM)	14	RE-GRAVELING
20	MAINTENANCE HAZYVIEW ACCESS ROAD, (0.4KM)	03	RE-GRAVELING
21	MAINTENANCE NTEKANENI ACCESS ROAD, (0.4KM)	13	RE-GRAVELING
22	MAINTENANCE DLAMINI ACCESS ROAD, (0.4KM)	12	RE-GRAVELING
23	MAINTENANCE OF ZINKWANA ACCESS ROAD, (1.1KM)	01	BLADING & RE-GRAVELING
24	MAINTENANCE DWALENI ACCESS ROAD, (2KM)	05	BLADING
25	MAINTENANCE NDODENI ACCESS ROAD, (0,7KM)	05	BLADING

NO.	PROJECT NAME(S)	WARD NO.	COMPLETED ACTIVITY
26	MAINTENANCE OF NKASENI ACCESS ROAD, (0.8KM)	13	BLADING

Table 58

3.17 ENVIRONMENTAL MANAGEMENT

The environmental right is contained in the Constitution of the Republic of South Africa, Act 108 of 1996 (hereafter referred to as “The Constitution”). Section 24 now enshrines environmental rights in South Africa. This right is interpreted to have a two-fold purpose. The first part guarantees a healthy environment to every person. The second part mandates the State to ensure compliance with the first part mentioned above. The State is prohibited from infringing on the right to environmental protection and is further required to provide protection against any harmful conduct towards the environment.

Dr. Nkosazana Dlamini Zuma Municipality has the mandate to ensure that all citizens within the jurisdiction of the municipality are exposed to a safe environment for the benefit of the present and future generations. To ensure that development is sustainable and does not cause harm to the environment. If harm is caused to the environment, mitigation measures should be in place and implemented accordingly. In ensuring that all citizens including future generations benefit from the environment, the following programmes have been implemented in the 2023/24 financial year.

3.17.1 ENVIRONMENTAL EMPOWERMENT

Environmental Management unit has undertaken Clean Up campaigns and environmental Awareness Campaigns:

- Bulwer Town Clean up and Environmental awareness
- Emangwaneni Magistrate Court environmental awareness
- Enkumba Primary School clean up and environmental awareness



Picture 1: Enkumba Primary Clean up and Environmental Awareness

- Arbor Month was celebrated in the following schools, awareness campaigns which had greening programme, indigenous trees were planted.

Name of school	Ward Number
Emtshawazo Primary School	08
Qgumeni Primary School	07
Emakhuzeni Primary School	07
Mahlahla High School	08
Sibomvini Primary School	06
Sonyongwane High School	08
Centocow High School	06
Nkumba Primary School	11

Table 59

- Waste Management Unit under Dr Nkosazana Dlamini Zuma Local Municipality coordinated a programme for the Municipality waste pickers on the 20th of September 2023
- The aim of the workshop was empowering waste pickers and acknowledging their contribution.
- The following stakeholders attended the programme: Department of Forestry, Fisheries and Environment; Department of Economic Development, Tourism and Environmental Affairs; Ubuhlebezwe Local Municipality; Institute of Natural Resources; SAPPI; Green Way Africa; South African Waste Pickers Association (SAWPA); and Plastic SA.
- Although there were good stories from the waste pickers, however challenges were highlighted that hinders their progress. Among the challenges that were highlighted are as follows:
 - Access to market.
 - Transport expenses, end with less profit
 - Lack of land to store recyclables
 - Way forward was the importance of registering waste pickers in the Municipality database, to help with knowing where they are located and able to share information on funding opportunities
- Establishment of cooperatives and business registrations
- The Municipality to develop waste pickers integration plan
- Registration of waste pickers in the national database of waste pickers, to get incentives from Producer Responsibility Organizations (PRO's)

3.17.2 INVASIVE ALIEN SPECIES PROGRAMME

- To improve on the challenges of alien invasive species, Environmental Management Unit continues to conduct alien species eradication programmes.
- Conducted Alien Species Eradication Programme on 26 March 2024 in Bulwer, ward 10
- Stakeholders: SAPPI and SANBI.
- Slashing and poisoning alien plants with tryclon herbicide
- Most visible and significant alien plants were Black wattle, Bramble and Bugweed.
- Additionally, eradication of alien species prioritized in all towns. A team of Dr. NDZ Municipality to continue with clearing in all towns



Picture 2: Alien Species eradication in Underberg viewpoint

3.17.3 SKIP BINS ALLOCATIONS

- The Municipality has purchased an additional of 10 skips bins that have been placed in all wards that has been identified as hotspots.
- The skip bins will serve a measure of reducing illegal dumping hotspots

3.17.4 GREENEST MUNICIPALITY COMPETITION

- The Municipality has entered a competition CMC.
- The Municipality notified by letter that we have been awarded an amount of R400 000.00 towards a waste management project.
- Won 3rd place under rural category.
- Business Plan was then submitted to the Department, which explained how the Municipality plans to utilize those funds.
- Memorandum of Agreement has been signed by both parties.
- Funds included in our 2024/25 financial year budget.
- Support to be provided to a Recycling cooperative working in Himeville Transfer Station.
- Additionally, within the jurisdiction of the Municipality a SMME by the name of Ziphendulele Recycling received support under the category of Waste Economy support.

3.17.5 CLIMATE CHANGE PROJECT

- The Municipality has been awarded R1 200 000.00 for the green and smart Municipality competition by Department of Economic Development Tourism and Environmental Affairs.
- A business plan was submitted to the Department of Economic Development on how the Municipality plans to utilize these funds for climate change mitigation project.

- The project: solar streetlights projects in Donnybrook Town.
- A Memorandum of Agreement has been signed by both the Municipality and the Department of Economic Development Tourism and Environmental Affairs.
- The Department has issued an order to the Municipality for the implementation of this project.
- The Project has been completed, solar street lights has been installed in Donnybrook, a Contractor by the name of Igoda completed the project

3.17.6 ENVIRONMENTAL PLANNING PROJECTS

PROJECT NAME	CONSULTANT	STATUS
Bulwer Landfill	SinoHydro Consultants	Environmental Authorization granted by the Competent Authority
Bulwer Cemetery	SinoHydro Consultants	Environmental Authorization granted by the Competent Authority
Jackson Street Culverts Environmental Management Impact and Water Use Authorization	Mamadi Consultants	Environmental Authorization granted by the Competent Authority Water Use Authorization issued
Review of Integrated Waste Management Bylaw	Mamadi Consultants	Scheduled of fines approved by the Magistrate, Department of Justice
Decommissioning of Bulwer Landfill	SinoHydro Consultants	License of closure issued by the Competent Authority

Table 60

3.17.7 WASTE COLLECTION

The Municipality is currently collecting in following areas and as scheduled:

- Bulwer – on Monday, Thursday and Friday
- Donnybrook – on Thursday
- Creighton – on Tuesday and Friday
- Hlanganani – on Monday and Thursday
- Centocow – on Tuesday and Thursday
- Underberg & Himeville Residential – on Monday
- Underberg & Himeville Business – Tuesday, Thursday and weekends

- Underberg & Himeville Low Income – Wednesday

The total number of Households currently with access to refuse removal services is 1216, households with free access to basic services are 29.

EPWP PROGRAM

Total Allocation = R 2 178 000,00

Tranche = R 2 178 000,00

Expenditure to-date = R 2 178 000,00

% expenditure vs Allocation = 100%

% expenditure vs Tranche = 100%

Target Work opportunities = 225

Achieved to-date = 261

Target FTE= 79

Achieved to date = 146.8

3.18 DEVELOPMENT, TOWN PLANNING SERVICES, LOCAL ECONOMIC DEVELOPMENT & TOURISM DEVELOPMENT PERFORMANCE IN 2023/24 FINANCIAL YEAR

3.18.1 Composition of the Department

The Development and Town Planning Services Department with its units namely, Town Planning, Building Control; Business Licensing, Local Economic Development and Tourism carried its functions within the following legal framework:

- Spatial Planning and Land Use Management Act 16 of 2016 (SPLUMA)
- National Building Regulation Act 103 of 1977 (NBRA)
- Businesses Act 71 of 1991
- Tourism Act 3 of 2014

The Development and Town Planning Services Department is responsible for the following:

Town Planning

- Preparation and review of the Municipal Spatial Development Framework (MSDF).
- Preparation and review of a series of lower order plans (such as Local Area Plans and Precinct Plans) aimed at translating the strategic intent of the Integrated Development Plan (IDP) and MSDF.
- Preparation and updating of the land use scheme.
- Providing spatial planning advise and input on land use development and land management.
- Identifying land for future development.
- Processing of Land Use Development Applications.
- General land inquiries
- Enforcement of SPLUMA Bylaw
- Geographic Information Systems

Building Control

- General inquiries of building plans
- Conducting property inspection and investigation of complaints concerning building and plumbing related problems.
- Scrutinizing building plans in accordance with the National Building Regulations and Building Standard Act 103 of 1977 and Town Planning Scheme.
- Archiving new and old building plans on the building plans management systems.
- Making recommendations on the approval of building plans, specifications, documents and any other information submitted in accordance with the National Building Regulations and Building
- Enforcement of the NBR
- Preparation of contravention reports to a Law Enforcer or to the Municipal Lawyers for prosecution in cases of contravention of the Act.
- Issuing of Occupational Certificates according to the National Building Regulations.

Local Economic Development

Tourism

Business Licensing

- Business license application forms
- Circulating application to all relevant departments for approval
- Inspection of business
- Issuing of contravention notice
- Raiding operations to businesses
- Disposing of expired goods

Annual Performance	Targets achieved	Targets not achieved	Targets applicable in the year	Not applicable in the year
Total no of targets: 08				
Annual performance & performance in percentages	07	01	07	0
	86%	12.5%	100%	0%

Table 61

CATEGORY	2022/2023	2023/2024
No. of targets	13	08
Targets Achieved	11	07
Targets not achieved	02	01
% of targets not achieved	15%	12.5%
% of targets achieved	85%	86%

Table 62

3.18.2 GRAPHICAL REPRESENTATION OF THE DEPARTMENT'S PERFORMANCE IN 2022/23 & 2023/24 FINANCIAL YEAR

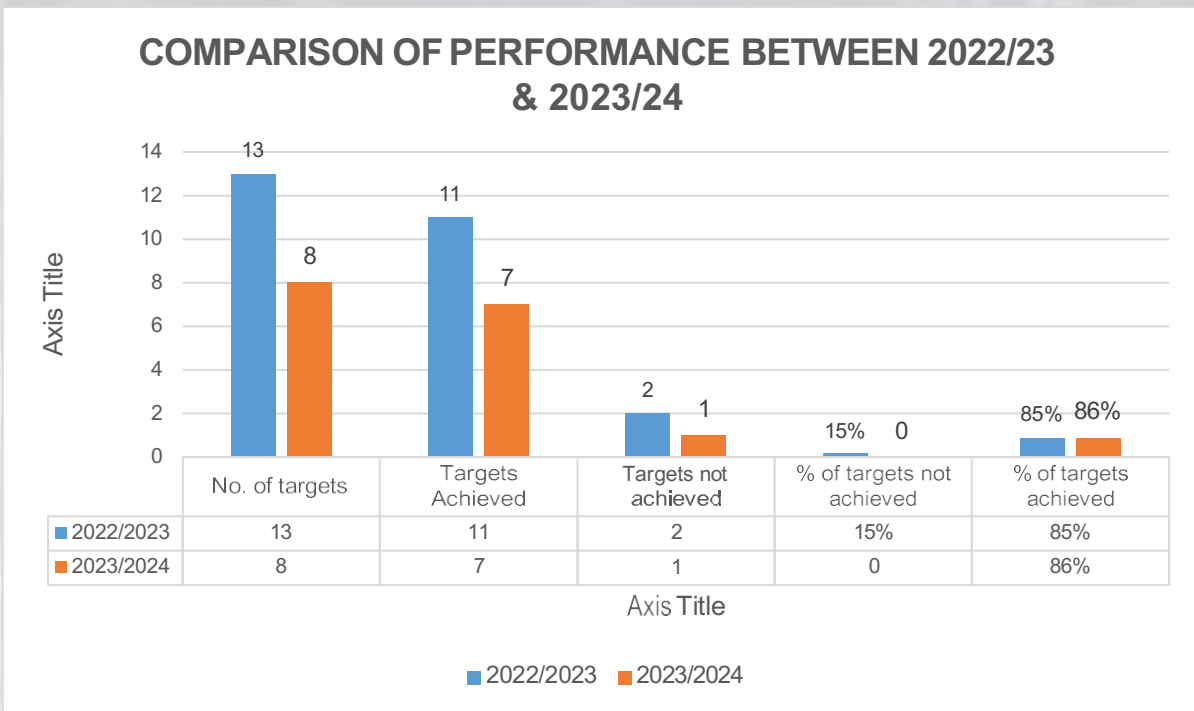


Fig 10

3.18.2 HIGHLIGHTS ON THE DEPARTMENT'S PERFORMANCE IN 2023/2024

The Dr Nkosazana Dlamini Zuma Municipal Spatial Development Framework (MSDF) 2024-2025 was recently reviewed and adopted. The Final Dr Nkosazana Dlamini Zuma (MSDF) 2022- 2023 was adopted by Council on 21 May 2024 as part of the Dr Nkosazana Dlamini Zuma Integrated Development Plan (IDP) 2021-2026. The Final Dr NDZ MSDF was submitted to KZN COGTA on 31 May 2024, within 7 days from the date of adoption, as prescribed in the MSA. The department managed the overall project internally.

The Dr Nkosazana Dlamini Zuma Municipal Planning Tribunal (MPT) was established on 12 June 2017 for 5 years. Their term expired on June 2022 but was extended for another 3 years in line with the provisions set out in SPLUMA. This means their term will now expire on 11 June 2025. The MPT is composed of 5 members but currently has 4 members. There is currently one vacant position. The Department will advertise to appoint a new MPT member, preferably with legal expertise. During the 2023/2024 financial year, the MPT has been sitting at least once a quarter to consider applications in which they may approve, disapprove and/or defer applications that do not have sufficient information to assist members in making an informed decision within the legislated timeframe.

The Remainder of Erf 181 Bulwer and Townlands of Bulwer No. 16527, commonly known as Khenana Settlement, is a township establishment application to formalize an existing settlement. The formalization of the Khenana Settlement comes as a result of the illegal occupation of Remainder of Erf 181 Bulwer and Townlands of Bulwer No. 16527 which is municipally owned land. The Municipality intends to formalize this settlement so that it is incorporated within the town of Bulwer and Dr Nkosazana Dlamini Zuma Municipality Land Use Scheme with the appropriate zone/s. The Municipality will embark on the public participation process.

The Creighton Subdivision Layout Phase 1 is informed by the Creighton Precinct Plan that was adopted by the Council in the previous financial year. The Creighton Precinct Plan was prepared by the municipality to guide in subdividing the vast tracts of land within Creighton Town. The subdivision of the identified land in the precinct plan is being done in phases, hence this project is referred to as Creighton Subdivision Layout Plan Phase.

The Underberg Precinct Plan is currently being reviewed by the Department which was developed in 2013. The project scope has been extended to encompass the Himeville area. Underberg is identified as one of the Municipal Development nodes (Primary node) and Himeville is identified as a Community Development node (Secondary node) in the recently adopted Municipal Spatial Development Framework (MSDF). The Municipality aims to accommodate anticipated growth and development requirements within the area while ensuring alignment with the MSDF and addressing the evolving needs of the community and the broader municipal area. While there are clear advantages to creating a single study area and Precinct Plan for both Underberg and Himeville, it is essential to consider the unique characteristics and needs of each town within the broader municipal context. The plan should strike a balance between addressing shared challenges and opportunities while also respecting the distinct identities and aspirations of both communities

Building Control highlights: The municipality has implemented the Building Plans Management System. The building plans are submitted to the municipality and loaded manually to the system.

Local Economic Development highlights:

Local Economic Development highlights:

The Dr. Nkosazana Dlamini-Zuma Local Economic Development and Tourism Strategy 2017, became due for review in the previous financial year. That process is yet to be completed and is expected to yield and contribute to better economic performance outcomes. The strategy will be inclusive of “LED, Investment and Tourism”

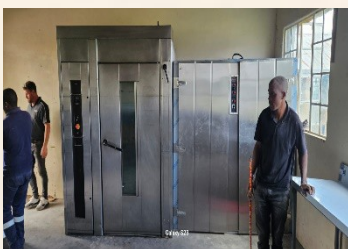
Skills Empowerment facilitation, most of the skills intervention undertaken by the Municipality are mainly based on improving the operational know how, of local entrepreneurs. The trainings are offered as accredited, so as to allow participants to gain credit points that can be recognized for a qualification certificate. In the year 2023/2024, the following skills were conducted:

- Leather Manufacturing Design (20 participants)
- Block Making (17 participants)

Unfortunately, the ff. identified skills could not be undertaken due to challenges in obtaining competent Service Providers:

- Events Management
- Pipe Fitting
- Plant Production
- Welding
- Carpentry
- Plumbing.

The Bakery Skills Development Initiative, the office in the Ministry of Women, Youth and People with Disability (WYPD) introduced this initiative which is being implemented in partnership with the Kevelear Mission Church. The objective is to train and develop skills for the confectionery sector locally and outside. In implementing this partnership project, the municipality is undertaking the costs for renovations, electricity supply and water storage.



SMME and Cooperatives Material and Equipment Support. This program continues to make high impact changes to those who are able to get assisted through it. The program has contributed to saving as well as creating new opportunities of work for local residents and business owners. In the financial year 2023/2024 the ff. were the achievements of the program:

- 30 Enterprises were supported.



More images can be made available on request.



Participation in Other Development Programs in the District, Province and National. In the financial year

2023/2024, the local area was very fortunate to have partaken in the Operational Vula Fund (KZNEDTEA), Thrive Informal Business Fund (HGDA) and IMEDP (DSBD). These programs combined together contributed significantly in the upliftment of local emerging enterprise who were successful in obtaining support from the respective programs.

- Operation Vula Fund-(100 Beneficiaries)
- IMEDP-(75 Beneficiaries)
- Thrive Informal Business- (15 Beneficiaries)





Business Licensing highlights

Dr. Nkosazana

Dlamini Zuma local Municipality Business License Unit

Summary report: financial year 2023-2024

Introduction

In the fiscal years of 2023 and 2024, the business license unit faced varying challenges and successes. Despite initial backlogs and delays due to increased applications post-pandemic, the unit adapted with streamlined processes and enhanced customer service. Renewals and compliance remained pivotal, with ongoing adjustments to regulatory changes. Overall, the unit's efforts supported business growth and regulatory adherence, fostering a conducive environment for entrepreneurs amidst evolving economic conditions.

Key highlights

During 2023-2024, the business license unit experienced notable developments. It focused on streamlining processes to handle increased demand post-pandemic, leading to improved efficiency in application processing and customer service. Regulatory compliance remained a priority, with adjustments made to accommodate changing business environments. Overall, the period highlighted the unit's adaptability and commitment to supporting business growth while ensuring adherence to evolving regulations. The unit had conducted more blitz in the past financial to enforce business to comply with the norms and standard of business act, **health, EDTEA, Law enforcement, fire, Building, Immigration and Disaster**. The unit together with the team we have managed to achieve our target on getting most business to come forward and apply for business licenses. We have confiscated goods that were not good for human consumption and disposed them on municipality dumpsite.

The unit had conducted awareness to business owners in all our 4 small towns of Dr NDZ

- Creighton
- Bulwer

- Donnybrook
- Underberg

The turn up wasn't as good as we expected but those attended we have seen the improvement on their establishment.

The unit is also established relations with other departments such as SEDA who is also helping us to provide trainings to employees of some shops that are in need of such assistance. The unit is still profiling on how best we can improve the working conditions to these establishments.

Working together with Immigration the unit had been able to identify foreign nationals who are illegal in country and arrests has been made. Since the beginning of our operations stores are in cleaner state than before. The awareness had made it clearer what is expected from them.

The unit is in a journey of establishing and publish business license bylaws for Dr NDZ Local Municipality, we had done benchmarking to various municipalities.

APPLICATION STATUS 2024

No. of applications submitted	29
No. of applications approved	15
No. of plans pending	14

Table 63

CHALLENGES

- Unable to maintain turnaround time of 21 days due to external departments to conduct inspection in time.
- Online automated system
- Peace officers
- Demand increase of liquor licenses
- Old business who are non-compliance

Despite these challenges, efforts have been made to improve processes, enhance digital infrastructure, and provide clearer guidance to facilitate smoother business license issuance and renewal processes in the future

3.18.4 Tourism highlights

Dr. Nkosazana Dlamini-Zuma Local Municipality Tourism Unit

Summary Report: Financial Year 2023-2024

Introduction

The 2023-2024 financial year was a significant period for the Dr. Nkosazana Dlamini-Zuma Local Municipality Tourism Unit. The unit focused on strengthening tourism within the region through various strategic initiatives aimed at increasing awareness, engaging stakeholders, and promoting local tourism establishments. This report provides an overview of key activities, achievements, and challenges encountered during the year.

KEY HIGHLIGHTS: AFRICA'S TRAVEL INDABA 2023

Participation and Promotion: The municipality was prominently represented at Africa's Travel Indaba 2023, held in Durban. This event, one of the largest tourism marketing platforms in Africa, allowed the municipality to showcase its unique tourism offerings to a global audience. The unit successfully promoted local attractions, cultural heritage, and eco-tourism opportunities to international and domestic buyers.

Networking and Partnerships: Several key partnerships were established with tour operators and industry captains, which are expected to drive increased tourist traffic to the region. These engagements have opened up avenues for future collaborations and marketing opportunities.

3.18.4.1 TOURISM AWARENESS CAMPAIGNS

Community Outreach: The Tourism Unit conducted a series of tourism awareness campaigns in various communities within the municipality. These campaigns aimed to educate residents about the economic benefits of tourism, encourage local participation, and foster a sense of pride in the area's cultural and natural assets.

School Programs: A significant part of the awareness initiative was targeted at schools, where the unit held workshops and presentations to educate students about potential careers in tourism and the importance of preserving the region's heritage and environment. These programs were well-received and sparked interest among the youth.

Visits to Tourism & Hospitality Establishments

Site Inspections: Regular visits were made to local tourism and hospitality establishments to assess service standards, provide support, and identify areas for improvement. These inspections also helped strengthen relationships between the municipality and local businesses.

Business Support: The Tourism Unit offered guidance and support to several small tourism businesses, particularly those that required information on compliance. Assistance included marketing support, training workshops, and facilitating access to municipal resources.

STAKEHOLDER ENGAGEMENTS

Consultations and Meetings: The Tourism Unit engaged in numerous consultations with stakeholders, including local business owners, community leaders, and provincial tourism bodies. These engagements were crucial in aligning the municipality's tourism strategy with broader regional and national tourism objectives.

Public-Private Partnerships: Efforts were made to establish and strengthen public-private partnerships (PPPs) to enhance tourism infrastructure and services through engagements with local CTO. These partnerships are expected to play a key role in the sustainable development & promotion of the tourism sector in the coming years.

CHALLENGES AND OPPORTUNITIES

Challenges: The year was not without its challenges, including limited funding and the need for improved infrastructure in some tourist areas. However, the Tourism Unit worked diligently to overcome these obstacles through innovative solutions and collaborative efforts.

Opportunities: The growing interest in eco-tourism, rail tourism and cultural heritage presents significant opportunities for the municipality. There is potential for developing new tourism products that align with global trends, such as sustainable tourism practices.

Conclusion

The 2023-2024 financial year was a productive period for the Dr. Nkosazana Dlamini-Zuma Local Municipality Tourism Unit. Through strategic participation in major tourism events, targeted awareness campaigns, and active stakeholder engagements, the unit laid a strong foundation for future growth. Looking ahead, the focus will be on leveraging the partnerships and opportunities identified to further enhance the municipality's tourism sector and contribute to local economic development.

This report serves as a reflection of the progress made and a guide for future initiatives that will continue to promote Dr. Nkosazana Dlamini-Zuma Local Municipality as a key tourism destination in South Africa.

3.18.4.2 SUMMARY OF TARGETS ACHIEVED BY THE DEPARTMENT DURING THE YEAR

1. Dr. Nkosazana Dlamini Zuma Municipal Spatial Development Framework (MSDF) 2024 /2025
 - The Spatial Planning and Land Use Management Act 16 of 2013 (SPLUMA) requires the Municipal Council to adopt a Municipal Spatial Development Framework for the municipality.
 - S20(2) of SPLUMA states that the Municipal Spatial Development Framework must be prepared as part of a municipality's Integrated Development Plan in accordance with the provisions of the Municipal Systems Act.
 - A Municipal Spatial Development Framework must include a written and spatial representation of a 5-year spatial development plan of the municipality and must include a longer-term spatial development vision statement of the municipality area which indicates desired spatial growth and development patterns for the next 10 to 20 years.
 - Council adopted the revised 2023/24 MSDF.
 - The department managed the overall project internally.
 - The Final SDF was adopted by the Council on the 21st of May 2024 and was submitted on the 31st of May 2024 to COGTA together with the IDP for assessment. The target was an adopted MSDF by the 4th quarter which was met successfully.
2. The Remainder of Erf 181 Bulwer and Townlands of Bulwer No. 16527, commonly known as Khenana Settlement
 - The Local Government: Municipal Systems Act No. 32 of 2000 (MSA) requires all Municipalities to prepare an Integrated Development Plan (IDP) for their area of jurisdiction. Section 26 (e) of the MSA stipulates that all municipalities are required to compile Spatial Development Frameworks (SDFs) as an essential aspect of their IDPs.
 - The Spatial Planning and Land Use Management Act 16 of 2013 (SPLUMA) prescribes that in terms of Part E, Section 21 (I): "A municipal spatial development framework must "identify the designation of areas in which - (i) more detailed local plans must be developed...". Local Area Plans (LAPs) are thus informed by the recommendations of both the Municipal Integrated Development Plan (IDP) and Spatial Development Framework (SDF) by translating the intentions of these broader plans into a greater level of detail and thereby informing the preparation of Precinct Plans and Subdivision Layout Plans.
 - The Municipal Planning Tribunal refused the application on 27 March 2024 because there was no adequate public consultation conducted with the public. The Municipality will embark on a public participation process in line with provisions of the Dr Nkosazana Dlamini Zuma Planning and Land Use Management Bylaw. The target was a decision from the MPT by the 4th quarter which was met however the municipality still needs to undertake a public participation that will meet the requirements of the Bylaw.

The Creighton Subdivision Layout Phase 1

- The Local Government: Municipal Systems Act No. 32 of 2000 (MSA) requires all Municipalities to prepare an Integrated Development Plan (IDP) for their area of jurisdiction. Section 26 (e) of the MSA stipulates that all municipalities are required to compile Spatial Development Frameworks (SDFs) as an essential aspect of their IDPs.
- The Spatial Planning and Land Use Management Act 16 of 2013 (SPLUMA) prescribes that in terms of Part E, Section 21 (l): “A municipal spatial development framework must “identify the designation of areas in which - (i) more detailed local plans must be developed...”. Local Area Plans (LAPs) are thus informed by the recommendations of both the Municipal Integrated Development Plan (IDP) and Spatial Development Framework (SDF) by translating the intentions of these broader plans into a greater level of detail and thereby informing the preparation of Precinct Plans and Subdivision Layout Plans.
- The municipality has prepared a Creighton Precinct Plan which was used as a guide in subdividing the vast tracts of land within Creighton Town. The subdivision of the identified land in the precinct plan is being done in phases, hence this project is referred to as Creighton Subdivision Layout Plan Phase 1.
- The Municipal Planning Tribunal approved the application on 27 March 2024. The service provider will submit the subdivision layout to the Surveyor General Office for approval.

Underberg Precinct Plan

- The Local Government: Municipal Systems Act No. 32 of 2000 (MSA) requires all Municipalities to prepare an Integrated Development Plan (IDP) for their area of jurisdiction. Section 26 (e) of the MSA stipulates that all municipalities are required to compile Spatial Development Frameworks (SDFs) as an essential aspect of their IDPs.
- The Spatial Planning and Land Use Management Act 16 of 2013 (SPLUMA) prescribes that in terms of Part E, Section 21 (l): “A municipal spatial development framework must “identify the designation of areas in which - (i) more detailed local plans must be developed...”. Local Area Plans (LAPs) are thus informed by the recommendations of both the Municipal Integrated Development Plan (IDP) and Spatial Development Framework (SDF) by translating the intentions of these broader plans into a greater level of detail and thereby
- The Department is currently reviewing the Underberg Precinct Plan that was developed in 2013. The project scope has been extended to encompass the Himeville area.
- A service provider has been appointed to assist the Department with the review process. The
 - The service provider presented the Inception report to the Project Steering Committee (PSC) on 09 April 2024 which was the only target within this financial year.

Land Development Management

- **Development Application Submissions:** The table below indicates the number of development applications that were submitted to the municipality. These include pre and formal submission stages which cover rezoning, subdivision, consolidation, special consent and building line relaxation applications:

PERIOD	NO. OF APPLICATIONS RECEIVED
1 st Quarter	9
2 nd Quarter	2
3 rd Quarter	2
4 th Quarter	13
Total	26

Table 64

- **Processed Applications:** A total number of 20 development applications has been processed between the months of July 2023 and June 2024. The table below provides an overview of the progress that has been made to date:

PERIOD	APPLICATION STATUS		
	APPROVED	DEFERRED	REFUSED
1 st Quarter	5	0	0
2 nd Quarter	1	3	0
3 rd Quarter	3	0	0
4 th Quarter	7	0	1
Total	16	3	1

Table 65

- **Municipal Planning Tribunal Activities:** During the 2023/2024 financial year, the Dr Nkosazana Dlamini Zuma Municipal Planning Tribunal (MPT) has been sitting at least once a quarter to consider applications in which they may approve, disapprove and/or defer applications. The following table illustrates applications decided by the MPT and Municipal Planning Authorized Officer (MPAO):

AUTHORITY	NUMBER
Municipal Planning Tribunal	8
Municipal Planning Authorized Officer	12

Table 66

3. Approval of Building Plans

- **Building Plan Submissions and Approvals:** The total number of building plans submitted for the 2021/2022 financial year was 71. The building plans submitted generated an income of R 51 715,50 for the municipality for a total area of 31 345.64 m². A total of 52 Building Plans were approved whilst 12 were not approved. The following table illustrates:

BUILDING PLANS	NO	FEES PAID	TOTAL AREA	ESTIMATED VALUE
No. of building plans submitted	71	R280 180.12	31 345.64	R51 715.50
No. of copies of building plans made	35	R1473.85	-	-
TOTAL		R281 653.97	31 345.64	R51 715.50
BUILDING PLANS APPROVAL				
No. of plans submitted	71			
No. of plans approved	52			
No. of plans refused	12			
BUILDING INSPECTIONS CARRIED OUT				
No. of inspections –IRO building	98			

No. of inspections – IRO routine	38			
No. of inspections – IRO rates	51			
No. of inspections – IRO complaints	7			
No. occupation certificates issued	3			
Non-compliant buildings	40			
Written contravention notices	19			
Verbal contravention notices	23			
GENERAL COMPLAINTS				
No. of written complaints received and dealt with	0			
No. of verbal complaints received and dealt with	7			

Table 67

Challenges:

- Invasion of municipal owned and privately owned land.
- Shortage of staff.
- Issue of non-compliant activities both from state-owned and privately-owned land
- Business Licensing turnaround time not met because the Municipality does not have Environmental Health personnel and therefore relies on the district.
- Conflicting ideologies between municipality and Traditional leaders on land development
- Health hazard resulting from informal and unplanned development.
- Development pressure towards the World Heritage Site

3.19 COMMUNITY AND SOCIAL SERVICES DEPARTMENT

COMMUNITY SAFETY ANNUAL REPORT 2023/ 2024 FINANCIAL YEAR

01 July 2023– 30 June 2024

Quarter 4/Annual Performance	Targets achieved	Targets not achieved	Targets applicable in 2023/24 FY	Not applicable in 2023/24 FY
Total no of targets: 07				
Annual performance & performance in percentages	6	1	07	0
	86%	14%	100%	0%

Table 68

The department's performance declined by 7% when compared to that of 2022/2023 which was 93%.

CATEGORY	2022/2023	2023/2024
No. of targets	24	07
Targets Achieved	22	06
Targets not achieved	02	01
% of targets achieved	93%	86%
% of targets not achieved	7%	14%

Table 69

GRAPHICAL REPRESENTATION OF COMPARISON OF PERFORMANCE BETWEEN 2022/23 & 2023/24 FINANCIAL YEAR

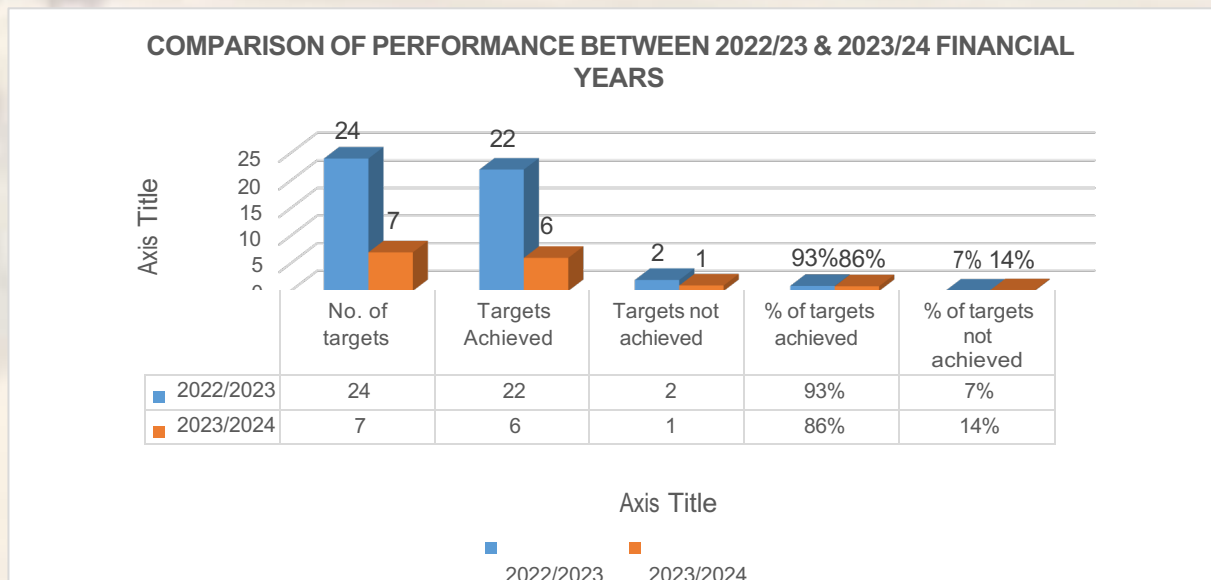


Fig 11

3.19.1 THE COMMUNITY SAFETY SECTION COMPRISE OF THE FOLLOWING UNITS *INTER ALIA*:

- **TRAFFIC**
 - Law Enforcement
 - Vehicle Registering Authority
 - Driver's License Testing Centre
- **DISASTER MANAGEMENT**
- **FIRE FIGHTING SERVICES**
- **LIBRARIES**
- **MUNICIPAL ANIMAL POUNDS**

The main vision for the Community Safety Unit is to ensure that, residents of Dr. Nkosazana Dlamini Zuma Municipality are safe at all times, where undesired eventualities have manifested, that emergency response is at all times effected to ensure that dignity of all those affected is restored accordingly in line with the constitution of the country. It is therefore incumbent upon the municipality to ensure that, resources required to achieve the above-mentioned are in place so that all proactive and reactive measures are implemented in a suffice manner across the area of jurisdiction of the municipality.

TRAFFIC

LAW ENFORCEMENT

This unit comprise of seven (7) Traffic Officers employed by the municipality for purposes of implementing the National Road Traffic Act, (Act 93 of 1996) and the National Land Transport Act, (Act 5 of 2009) and any other relevant regulations thereof, including but not limited to the municipal bylaws.

ROADBLOCKS

Throughout, the 2023/ 2024 financial year, the law enforcement unit conducted quite a number of local and multi-stakeholder roadblocks within the municipal area of jurisdiction's road networks. A number of vehicles found to be road unworthiness due to different contraventions, owners and/ or drivers were issued with fines accordingly.

The main objective of conducting such roadblocks resonates around the safety of all motorists that utilize the road networks within Dr. Nkosazana Dlamini Zuma Municipality's area of jurisdiction. Dr. NDZ municipality is one of the country's most renowned tourist destination, attracting a lot of tourists both nationally and internationally. Such tourists visit the area to explore different types of tourism activities. It is therefore behind this rational that, the municipality must endeavor to ensure road safety at all times.

To a certain extent, the road networks do pose some risks to motorists due to the pot holes on such infrastructure. Whilst the diverse weather patterns experienced in this region, it is safe to say that, it also contributes to manifesting road accidents that are sometimes fatal to motorists.

Given such challenges, the municipality together with relevant different stakeholders are hard at work to ensure that, such road infrastructure is maintained accordingly in a way that, it will not pose a risk to motorists.

The level of police visibility on the roads is very high, as part of a measure to further ensure safety in such roads.



Some of the road blocks conducted



Accidents that occurred on the road networks

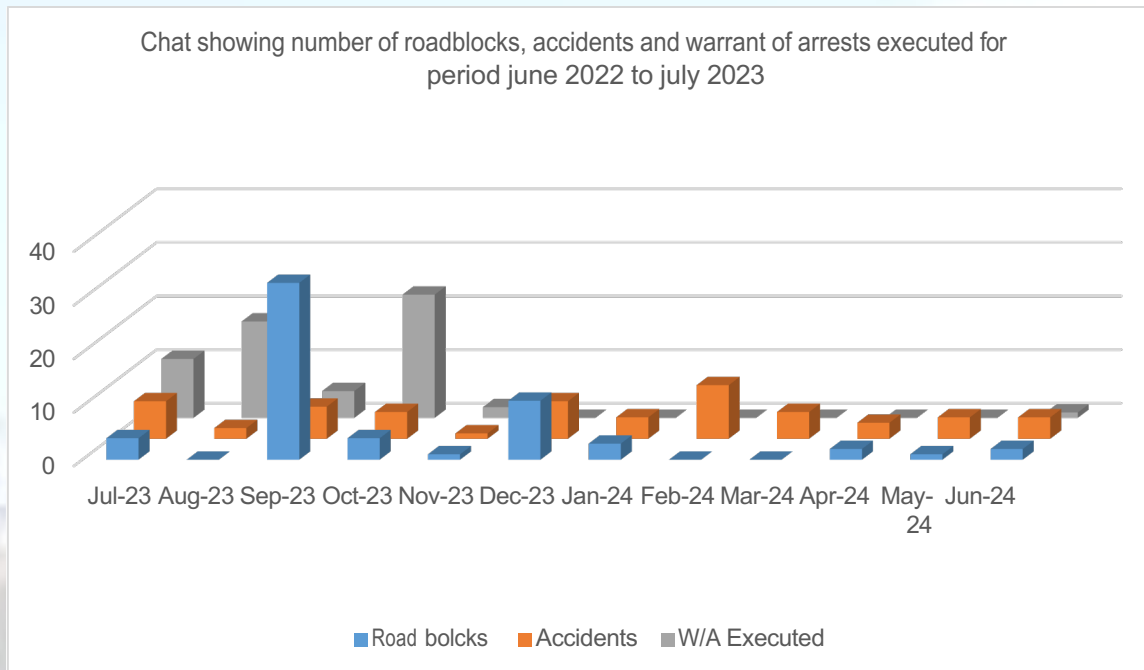


Fig 12

From the table above, it can be deduced that, during this period the number of motor vehicle accidents were less than the previous year 2022/2023 financial year. The municipality still need to further ensure police visibility on the road to reduce and/ or prevent road accidents. Ensuring safety on the roads is one of the most important things that needs to be enhanced.

The adverse weather conditions within Dr. Nkosazana Dlamini Zuma Municipality also play a very critical role in the occurrence of motor vehicle accidents.

VEHICLE REGISTERING AUTHORITY

The motor vehicle registering authority specifically deals with the registering of motor vehicles within the area of jurisdiction of the municipality by issuing number plates that are relevant to the area of the municipality.

The following stats below depict the number of transactions conducted during the financial period July 2022 to June 2023 accordingly:

MONTH	TRANSACTIONS
JULY 2022	517
AUGUST 2022	867
SEPTEMBER 2022	790
OCTOBER 2022	722

MONTH	TRANSACTIONS
NOVEMBER 2022	709
DECEMBER 2022	602
JANUARY 2023	719
FEBRUARY 2023	583
MARCH 2023	498
APRIL 2023	391
MAY 2023	380
JUNE 2023	440
TOTAL	7

Table 70

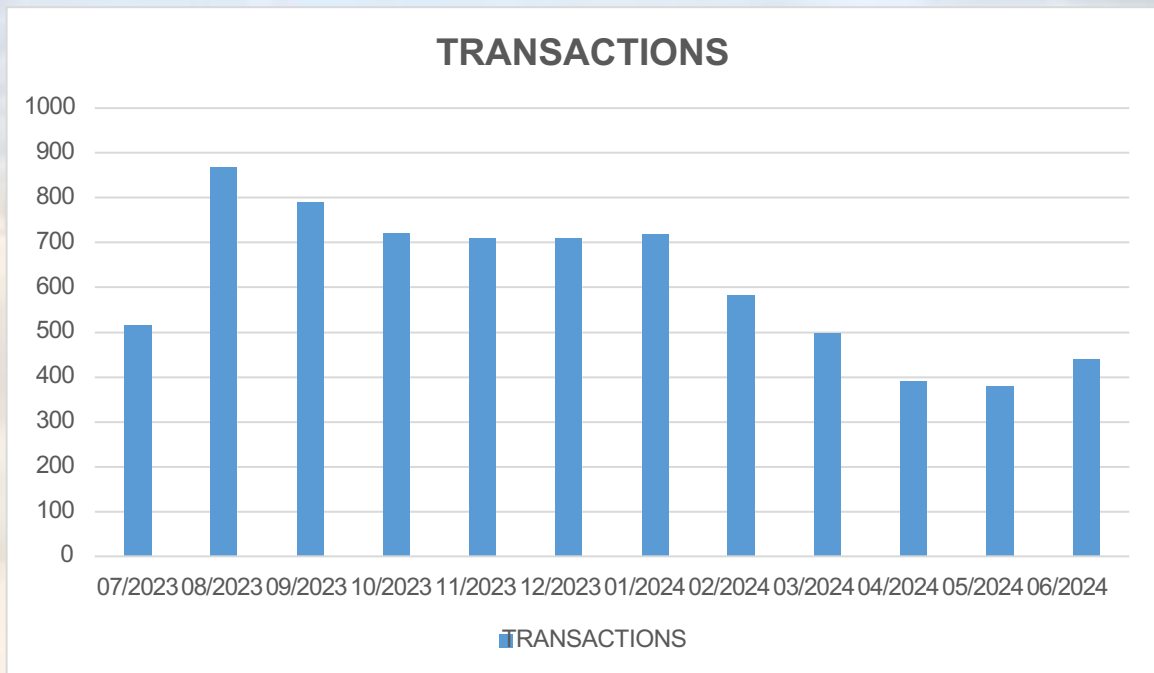


Fig 13

Transactions performed through-out the financial year 2023-2024

The above table outlines the performance of the motor licensing section in terms of the customers that received services. Load-shedding has a negative impact in the performance of the unit because the unit cannot function without electricity.

Furthermore, when the eNatis system that is utilized sometimes is offline the functioning of the unit is negatively affected.

Currently, the unit is operating very well despite challenges that are experienced in certain instances.

Motorists can now go to any motor licensing of their choice in KwaZulu Natal to renew, register new vehicles and/ or for any transaction they need to conduct in terms of the new system introduced.

DRIVER'S LICENSE TESTING CENTRE

The municipality has got two Driver's License Testing centers being Himeville and Creighton, that specifically deals with learner's licenses and the renewal of driver's licenses and PrDPs.

During the period of the financial year 2023/2024 the following transactions were conducted in both centers.

The tables below depict statistics for both Himeville and Creighton separately, in order for one to distinguish the business viability on both sites.

HIMEVILLE DLTC

MONTH	APPLICATIONS FOR LEARNER'S LICENSE	DUPLICATE LEARNER'S LICENSE	ISSUE OF DRIVER'S LICENSES	TEMPORARY DRIVER'S LICENSE	ISSUE LEARNERS LICENSE	APPLICATION OF PrDPs
July 2023	35	0	77	35	18	13
August 2023	21	0	16	5	14	7
September 2023	41	0	96	65	21	30
October 2023	35	0	114	51	15	33
November 2023	39	0	104	46	19	31

MONTH	APPLICATIONS FOR LEARNER'S LICENSE	DUPLICATE LEARNER'S LICENSE	ISSUE OF DRIVER'S LICENSES	TEMPORARY DRIVER'S LICENSE	ISSUE LEARNERS LICENSE	APPLICATION OF PrDPs
December 2023	42	2	74	43	18	16
January 2024	54	0	120	59	27	37
February 2024	71	0	112	53	34	39
March 2024	52	1	99	39	29	34
April 2024	63	0	106	44	27	29
May 2024	76	0	110	42	31	24
June 2024	37	0	90	32	18	19
TOTAL	566	3	1118	514	271	312

Table 71

CREIGHTON DLTC

MONTH	APPLICATIONS FOR LEARNER'S LICENSE	DUPLICATE LEARNER'S LICENSE	ISSUE OF DRIVER'S LICENSES	TEMPORARY DRIVER'S LICENSE	ISSUE LEARNERS LICENSE	APPLICATION OF PrDPs
July 2023	30	0	12	4	19	4
August 2023	21	0	16	5	14	7
Sept 2023	18	0	10	6	4	7
October 2023	30	0	14	6	21	7
November 2023	25	0	14	8	13	9

MONTH	APPLICATIONS FOR LEARNER'S LICENSE	DUPLICATE LEARNER'S LICENSE	ISSUE OF DRIVER'S LICENSES	TEMPORARY DRIVER'S LICENSE	ISSUE LEARNERS LICENSE	APPLICATION OF PrDPs
December 2023	36	0	8	5	22	1
January 2024	39	0	20	10	24	10
February 2024	37	0	6	2	20	24
March 2024	23	0	15	7	15	6
April 2024	46	0	12	7	22	4
May 2024	29	0	8	4	18	3
June 2024	60	1	11	7	26	5
TOTAL	394	1	146	71	218	80

Table 72

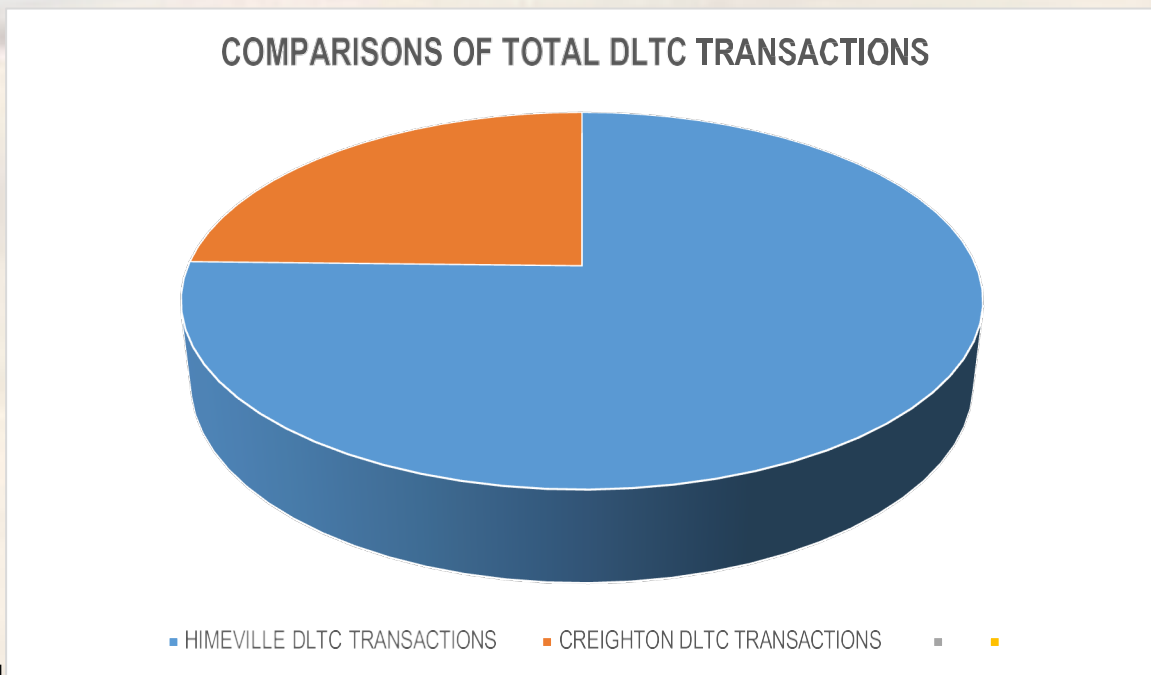


Fig 14

DISASTER MANAGEMENT

The disaster management unit deals with all aspects that pertains to disaster management within Dr. Nkosazana Dlamini Zuma Municipality's area of jurisdiction. This requires the municipality to comply with the Disaster Management Act, Act 57 of 2022, the Disaster Management Amendment Act, Act 16 of 2015, the Disaster Management Policy Frameworks as well.

There are four key performance areas and three enablers that are enshrined within the National Disaster Management Policy Framework and are as follows:2.2

KPA 1- Integrated Institutional Capacity for Disaster Risk management

ESTABLISHMENT OF THE DR NDZ MUNICIPALITY'S EMERGENCY CENTRE

Section 16 of the Disaster Management Amendment Act, Act 16 of 2016 indicates that, a local municipality may establish a Disaster Management center in consultation with the relevant district municipality in accordance with the set-out service level agreement between the two parties, in alignment with national norms and standards.

Dr. NDZ municipality has established an emergency center, that was constructed in Bulwer along R 617, as exiting Bulwer town towards Pietermaritzburg. The emergency center will form the base for both the disaster management and fire services units.



DR. NDZ Disaster Management Center located in Bulwer along the R617

Furthermore, the municipality took a very critical prudent decision to establish fire satellite stations within the area of jurisdiction of the municipality due to the fact that, the municipal area is very sparsely and remote. The response times to incidents are way beyond the required standard hence when responding most of the time the emergency personnel arrives long after the fire has burnt out.

EQUIPING AND OPERATIONALIZATION OF THE FIRE AND DISASTER MANAGEMENT CENTRE

The municipality budgeted for the furniture and equipment to be put in the center, but due to the municipality's financial muscle being small, Cooperative Governance and Traditional Affairs (COGTA) also funded the municipality with an amount of One Million Rands Only (R 1, 000 000. 00) to augment the equipment and furniture for the Centre.

The equipment and the furniture have since been procured and put in the Centre and now, it is functional. The municipality also employed about twenty-one (21) fire-fighting interns to increase human resources capacity at the Centre. There were also three (3) vehicles that were procured for the fire services to make sure that, the Centre is always functional and enhances the provision of emergency services to the community of Dr. Nkosazana Dlamini Zuma Municipality's area of jurisdiction.

OPENNING OF THE FIRE AND DISASTER MANAGEMENT CENTRE

The Fire and Disaster Management Centre for Dr. Nkosazana Dlamini Zuma Municipality was opened on the 25th April 2024 by Cooperative and Traditional Affairs MEC Bongi Sithole-Moloi.

The event was well attended by different stakeholders, from across the province.



Disaster Management

The municipality appointed a Head of the Disaster Management Centre who is responsible for the overall management and operations of the both the emergency center and the satellite stations. There are also two staff members that were appointed full time for disaster management as follows:

- Disaster Management Officer

- Disaster Management Clerk

There are further disaster management interns that are appointed and EPWPs who are augmenting the personnel within disaster management unit.

The municipality is conversant with the shortage of human resources within the disaster management unit and shall make sure that, whenever the financial muscle of the municipality improves, more personnel shall be employed to capacitate such unit.

Fire Services

Within the fire services unit, there are six (6) fire fighters permanently employed by the municipality including the Chief Fire Officer. Over and above that, there are also qualified fire-fighting interns that have been employed to assist within the fire services.

DISASTER MAMNAGEMENT ADVISORY FORUM

The Dr. NDZ municipality's Disaster Management Advisory Forum was established and it is currently functional and sustainable. The Disaster Management Advisory Forum has been integrated with the Community Safety Forum within the municipality hence it is now called the Dr NDZ Disaster Management Advisory and Community Safety Forum. It is one of the most functional and vibrant forums within the region of Harry Gwala District Municipality's area of jurisdiction.

The forum sits on quarterly basis. For the financial year 2023/ 2024, the forum set as follows as per table below:

DISASTER MANAGEMENT ADVISORY AND COMMUNITY SAFETY FORUM SITTINGS FOR 2022/2023	
NAME OF STRUCTURE	DATE OF SITTING
DMACSF	21 September 2023
DMACSF	04 December 2023
DMACSF	27 March 2024
DMACSF	20 June 2024
TOTAL	4

Table 73



2023/2024 Disaster Management Advisory and Community Safety Forums

DISASTER MANAGEMENT MASTER PLAN

In the financial year 2023/ 2024, the municipality reviewed the Disaster Management Master Plan and was approved by Council, and thereafter sent to COGTA for assessment and the comments received were that, the municipality must also incorporate some disaster management national guidelines in the plan, which will be undertaken in the 2024/2025 financial year accordingly.

ANNUAL DISASTER RISK MANAGEMENT SECTOR PLAN

In line with the Municipal System Act, Act 32 of 2000 the municipality on annual basis ensures that, issues of disaster management are incorporated into the integrated development plan through developing and reviewing the disaster management sector plan.

The 2023/ 2024 financial year disaster management sector plan was submitted to COGTA for assessment and the municipality did very well by obtaining 4/5 in such assessments. The municipality has retained such position for the past four (4) years.

As required by legislation, the municipality reviewed its disaster management sector plan for the financial year 2023/ 2024 and was submitted to COGTA accordingly for evaluation.

In terms of the final assessments that were done by COGTA, the municipality's disaster management sector plan, scored 4/5 as has been scoring in the past three years.

MUNICIPALITY	DMSP	YEAR	DMP	YEAR	SDBIP	SDF	SCORE
Harry Gwala DM	Yes	2023/24	Yes	2021	Yes	Yes	4
Ubuhlebezwe	Yes	2023/24	Yes	2021	Yes	Yes	4
NDZ	Yes	2023/24	Yes	2019	Yes	Yes	4
Greater Kokstad	No	-	No	-	Yes	Yes	2
UMzimkhulu	No	-	No	-	Yes	Yes	2

Table 74

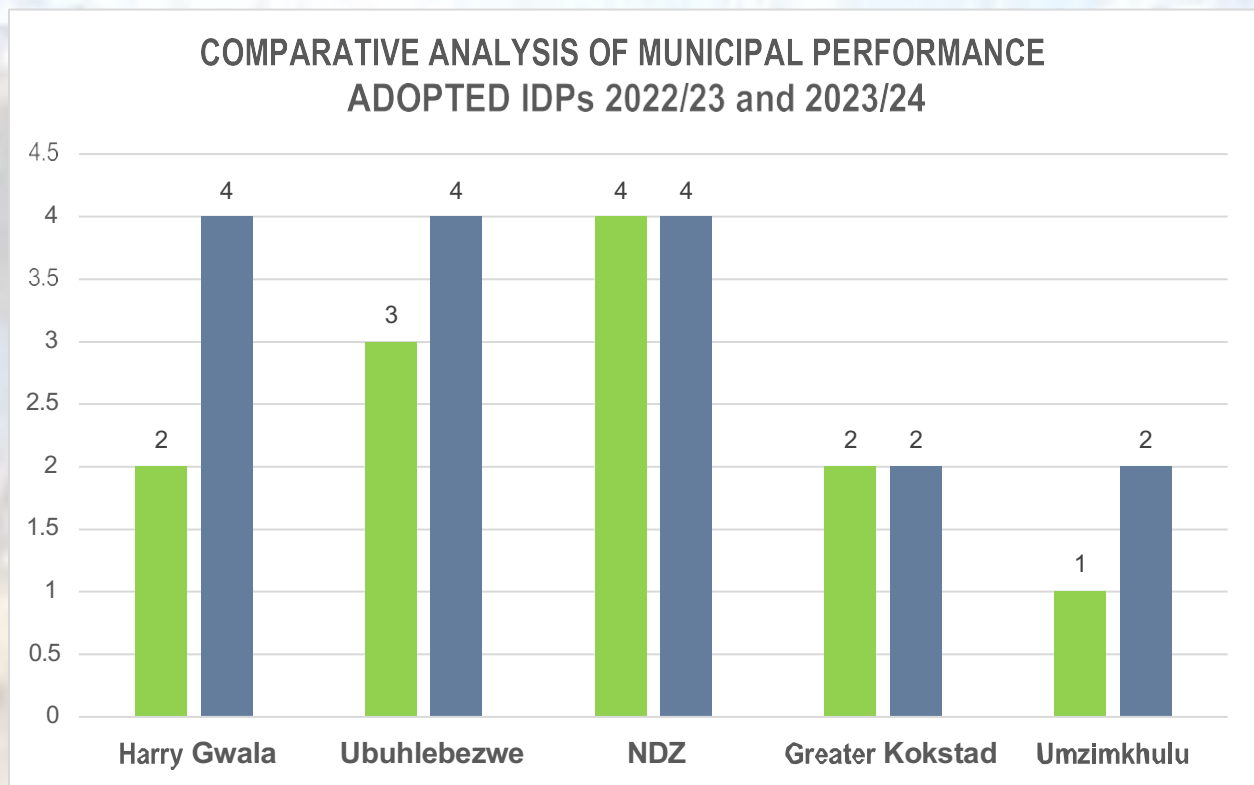


Fig 15

Comparison with other district and local municipalities

Municipality	DMSP	YEAR	DMP	YEAR	SDBIP	SDF	SCORE
Harry Gwala DM	Yes	2023/24	Yes	2021	Yes	Yes	4
Ubuhlebezwe	Yes	2023/24	Yes	2021	Yes	Yes	4
Dr. NDZ	Yes	2023/24	Yes	2019	Yes	Yes	4
Greater Kokstad	No	-	No	-	Yes	Yes	2

UMzimkhulu	No	-	No	-	Yes	Yes	2
Ugu DM	Yes	2023/24	Yes	2021	Yes	Yes	3
Ray Nkonyeni	Yes	2023/24	Yes	2020	Yes	Yes	3
Umdoni	Yes	2023/24	Yes	2019	Yes	Yes	1
Umzumbe	Yes	2023/24	Yes	2023	Yes	Yes	2
Umuziwabantu	Yes	2023/24	Yes	2017	Yes	Yes	2
ILembe DM	Yes	2023/24	Yes	2019	Yes	Yes	3
KwaDukuza	Yes	2023/24	No	2016	Yes	Yes	3
Mandeni	Yes	2023/24	No	2021	Yes	Yes	2
Ndwedwe	Yes	2023/24	Yes	2021	Yes	Yes	3
Maphumulo	Yes	2020/21	Yes	2020	Yes	Yes	1
EThekweni Metro	Yes	2023/24	Yes	2016	Yes	Yes	4

Table 75

KPA 2 – Disaster Risk Assessment

As indicative above, the municipality conducted a comprehensive disaster risk assessment, which realized a disaster risk profile and mapping for the municipality. Such profile and mapping clearly identify areas that are prone to different types of both natural and human induced hazards that are imminent within the area of jurisdiction of the municipality.

The disaster risk profiling and mapping is as follows:

LEGEND	
	Extremely High Hazard
	High Hazard
	Moderate Hazard
	Low hazard

Table 76

WARD NO	PRIORITY HAZARDS	LEGEND INDEX	LEGEND DESCRIPTION	NUMBER OF HALLS	NUMBER OF SCHOOLS
1	Storms		Extremely High	7	13
	Heavy Rain		Moderate		
	Lightning		High		
	Floods		High		
	Fierce Wind		High		
	Snow		High		
	Crime		Moderate		
	Structural Fires		High		
	Veld Fires		Extremely High		
	Drought		Low		
	Hail Storm		Moderate		
	Road Accidents		Moderate		
2	Storms		Extremely High	4	8
	Heavy Rain		Moderate		
	Snow		Extremely High		
	Structural Fires		Moderate		
	Lightning		Moderate		
	Veld Fires		Moderate		

	Fierce winds		High		
	Crime		Moderate		
	Drought		Low		
	Road Accidents		High		
	Floods		High		
	Hail storm		Moderate		
3	Storms		Extremely High	0	3
	Fierce Winds		High		
	Crime		Moderate		
	Road Accidents		High		
	Structural Fires		High		
	Snow		Extremely High		
	Floods		High		
	Heavy Rain		Moderate		
	Hail Storm		Moderate		
	Veld Fires		Moderate		
	Lightning		Moderate		
	Drought		Low		

Table 77

WARD NO	PRIORITY HAZARDS	LEGEND INDEX	LEGEND DESCRIPTION	NUMBER OF HALLS	NUMBER OF SCHOOLS
4	Storms		High	4	8
	Floods		Moderate		
	Heavy Rain		Moderate		
	Hail Storm		Moderate		
	Road Accidents		Low		
	Structural Fires		Moderate		
	Snow		Extremely High		
	Veld Fires		Moderate		
	Lightning		High		
	Fierce Winds		High		
	Drought		Moderate		
5	Storms		High	4	5
	Floods		Moderate		
	Fierce Winds		High		
	Hail Storm		High		
	Road Accidents		Low		
	Structural Fires		Moderate		
	Snow		Moderate		

	Veld Fires		High		
	Lightning		High		
	Heavy Rain		High		
	Drought		Moderate		
6	Storms		High	6	9
	Floods		Moderate		
	Fierce wind		High		
	Hail Storms		High		
	Road Accidents		Low		
	Structural Fires		Moderate		
	Snow		Moderate		
	Veld Fires		High		
	Lightning		High		
	Heavy Rain		High		
	Drought		Moderate		

Table 78

WARD NO	PRIORITY HAZARD	LEGEND INDEX	LEGEND DESCRIPTION	NUMBER OF HALLS	NUMBER OF SCHOOLS
7	Storms	Red	High	3	7
	Floods	Yellow	Moderate		
	Fierce Wind	Red	High		
	Hail Storms	Red	High		
	Road Accidents	Green	Low		
	Structural Fires	Yellow	Moderate		
	Snow	Yellow	Moderate		
	Veld Fires	Purple	High		
	Lightning	Red	High		
	Heavy rain	Red	High		
	Drought	Green	Low		
8	Storms	Red	High	4	8
	Floods	Green	Low		
	Fierce Wind	Red	High		
	Hail Storm	Green	Low		
	Road Accidents	Green	Low		
	Structural Fires	Yellow	Moderate		
	Snow	Yellow	Moderate		
	Veld Fires	Purple	Extremely High		

	Lightning	High	High		
	Heavy Rain	Moderate	Moderate		
	Drought	High	High		
9	Storms	High	High	2	2
	Floods	Moderate	Moderate		
	Fierce Wind	High	High		
	Hail Storm	High	High		
	Road Accidents	High	High		
	Structural Fires	Moderate	Moderate		
	Snow	Moderate	Moderate		
	Veld Fires	Moderate	Moderate		
	Lightning	High	High		
	Heavy Rain	High	High		
	Drought	Moderate	Moderate		

Table 79

WARD NO	PRIORITY HAZARD	LEGEND INDEX	LEGEND DESCRIPTION	NUMBER OF HALLS	NUMBER OF SCHOOLS
10	Storms		High	4	10
	Floods		High		
	Fierce Wind		High		
	Hail Storm		Moderate		
	Road Accidents		Extremely High		
	Structural Fires		High		
	Snow		Moderate		
	Veld Fires		High		
	Lightning		Moderate		
	Heavy Rain		High		
	Drought		Moderate		
11	Storms		Moderate	6	11
	Floods		Moderate		
	Fierce Wind		Moderate		
	Hail Storm		High		
	Road Accidents		High		
	Structural Fires		Moderate		
	Snow		High		

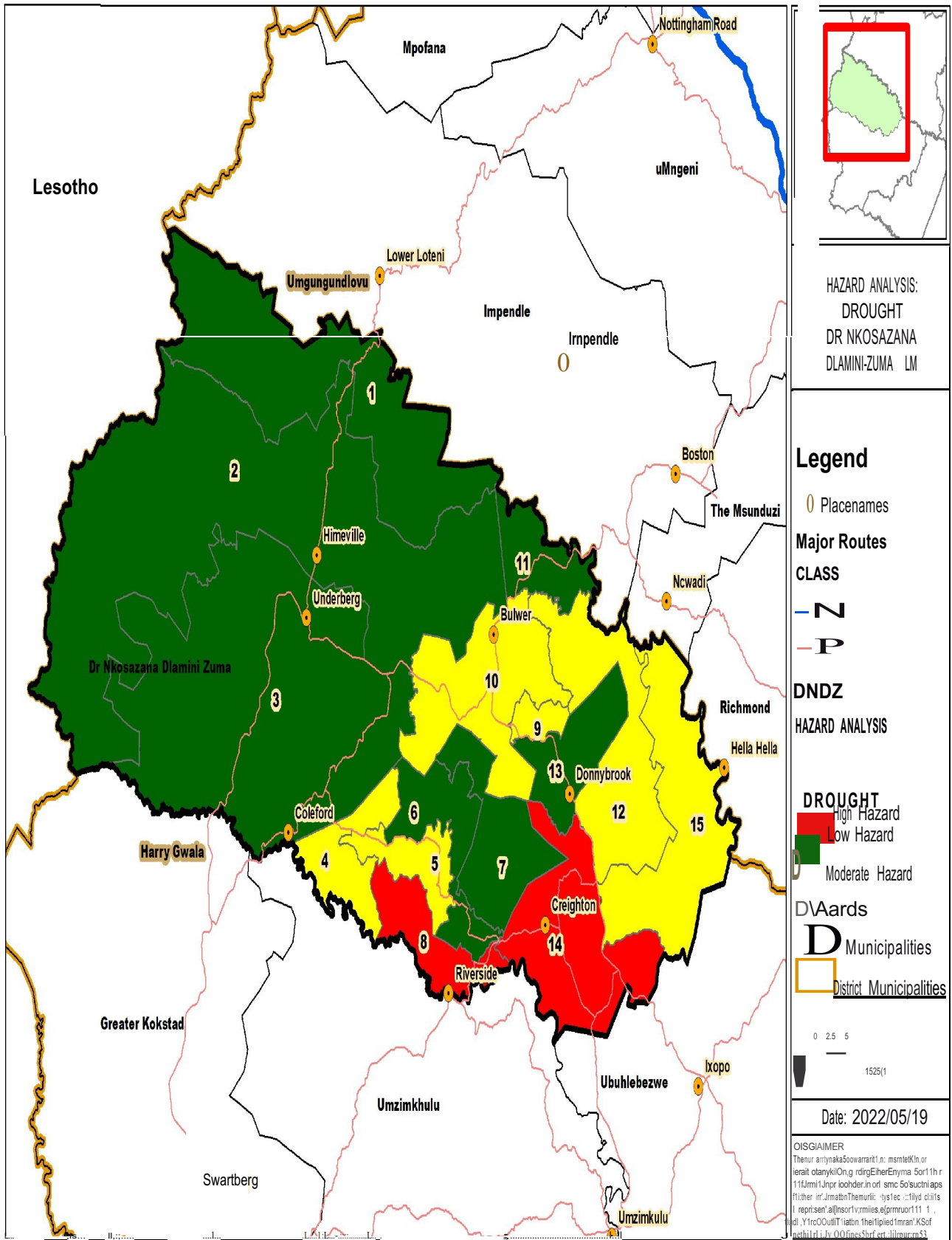
	Veld Fires	Yellow	Moderate		
	Lightning	Yellow	Moderate		
	Heavy Rain	Red	High		
	Drought	Green	Low		
12	Storms	Red	High	5	10
	Floods	Yellow	Moderate		
	Fierce Wind	Dark Red	Extremely High		
	Hail Storm	Red	High		
	Road Accidents	Yellow	Moderate		
	Structural Fires	Yellow	Moderate		
	Snow	Green	Low		
	Veld Fires	Purple	Extremely High		
	Lightning	Red	High		
	Heavy Rain	Yellow	Moderate		
	Drought	Yellow	Moderate		

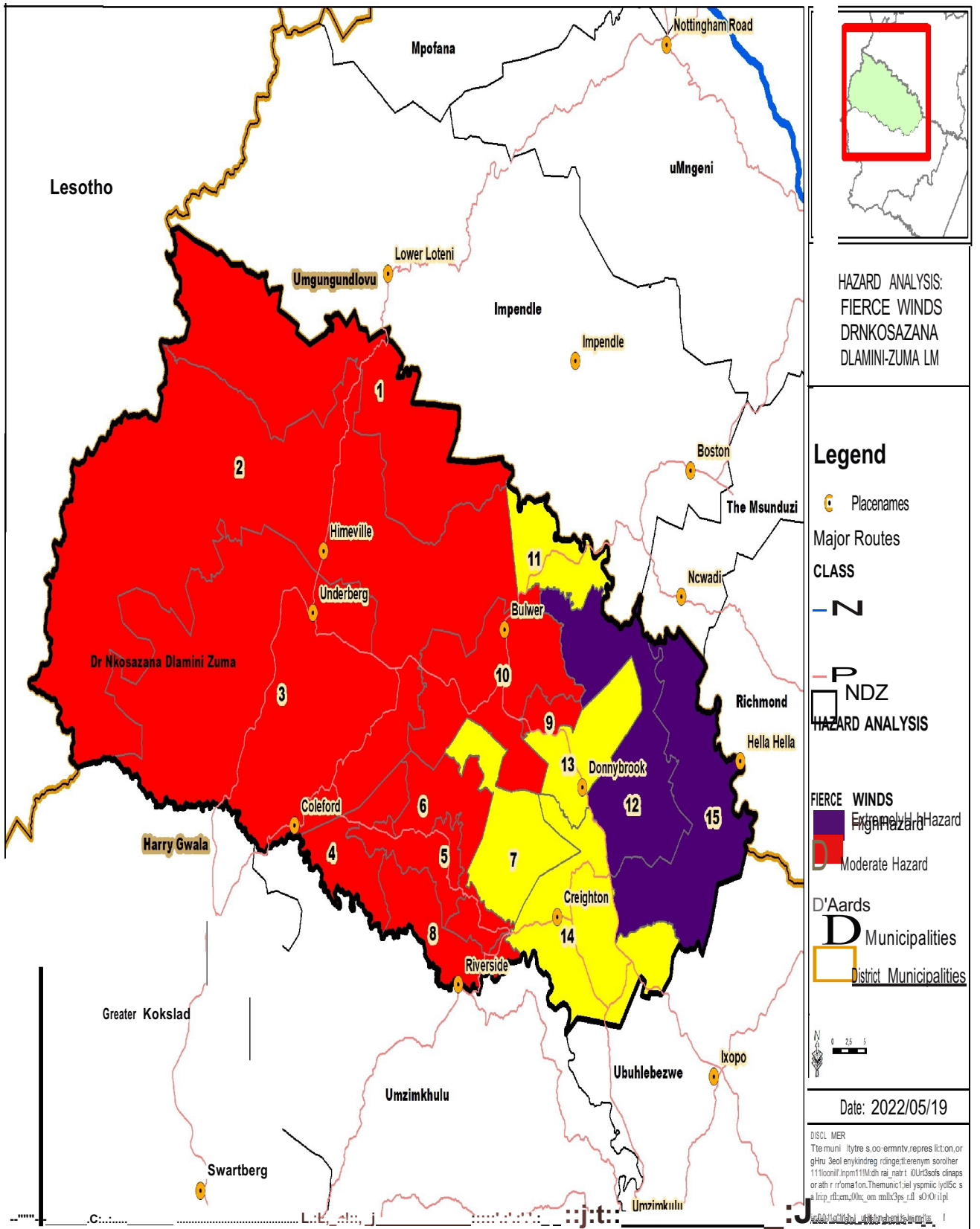
Table 80

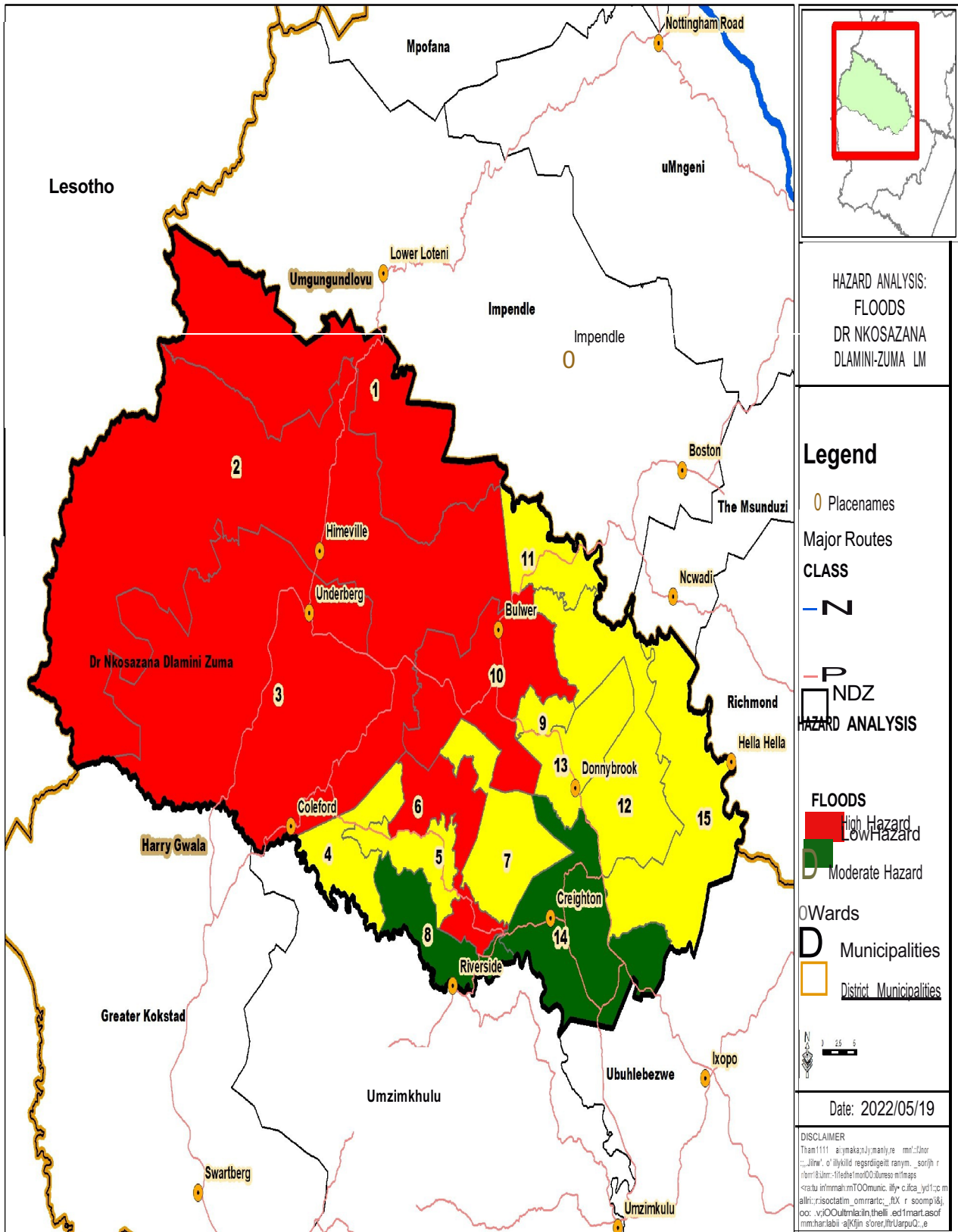
WARD NO	PRIORITY HAZARD	LEGEND INDEX	LEGEND DESCRIPTION	NUMBER OF HALLS	NUMBER OF SCHOOLS
13	Storms		High	3	6
	Floods		Moderate		
	Fierce Wind		Moderate		
	Road Accidents		Moderate		
	Structural Fires		Moderate		
	Snow		Moderate		
	Veld Fires		Extremely High		
	Lightning		High		
	Heavy Rain		High		
	Drought		Low		
	Hail Storm		Moderate		
14	Storms		Moderate	4	8
	Floods		Low		
	Fierce Wind		Moderate		
	Road Accidents		Low		
	Structural Fires		Moderate		
	Snow		Moderate		
	Hail Storm		Moderate		

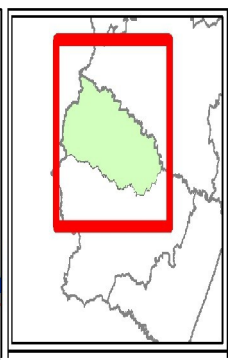
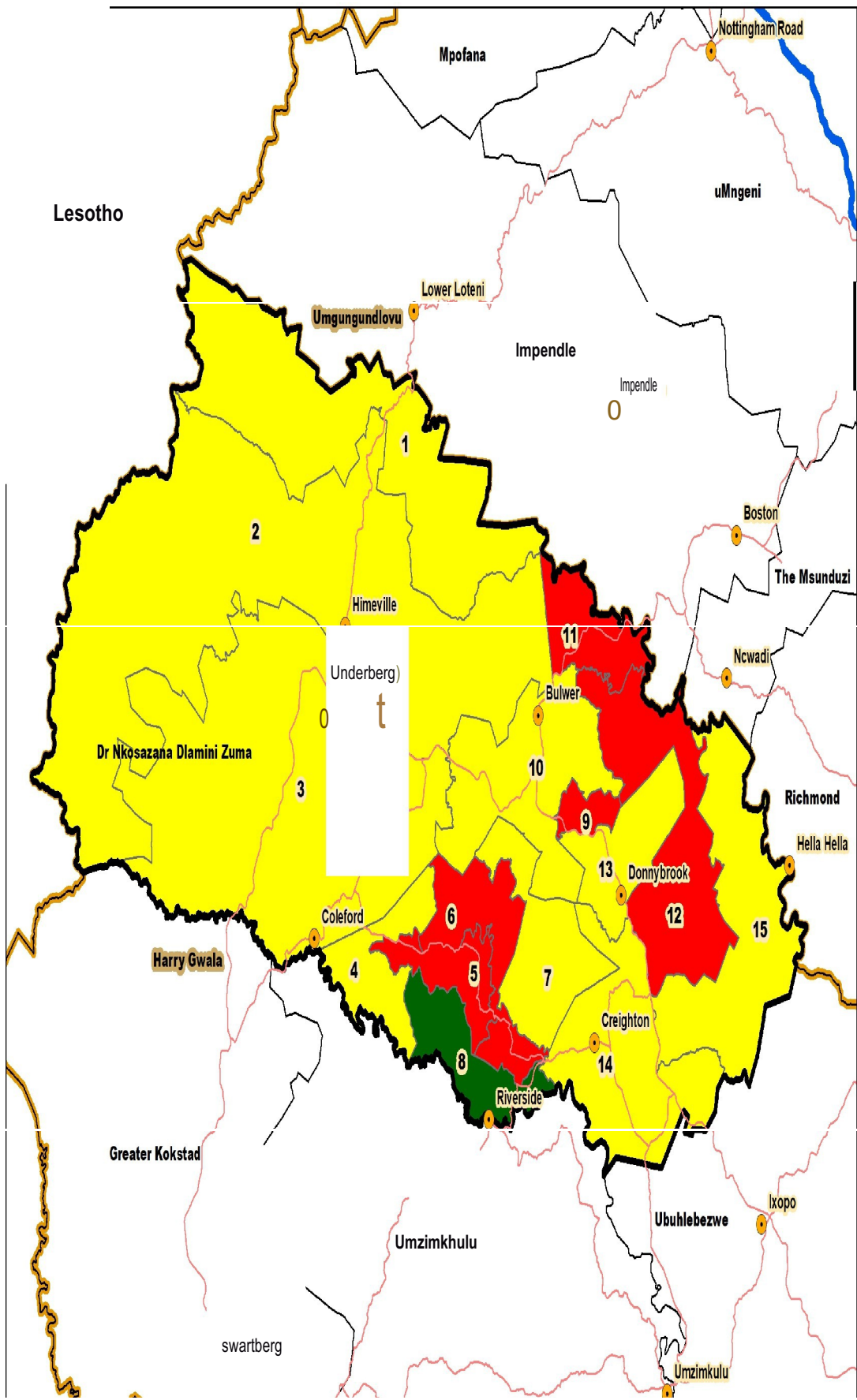
	Veld Fires	Red	High		
	Lightning	Yellow	Moderate		
	Heavy Rain	Yellow	Moderate		
	Drought	Red	High		
	Fuel Explosion	Red	High		
15	Storms	Red	High	4	10
	Floods	Yellow	Moderate		
	Fierce Wind	Purple	Extremely High		
	Road Accidents	Green	Low		
	Structural Fires	Red	High		
	Snow	Green	Low		
	Veld Fires	Purple	Extremely High		
	Lightning	Red	High		
	Heavy Rain	Red	High		
	Drought	Yellow	Moderate		
Hail Storm	Yellow	Moderate			

Table 81









HAZARD ANALYSIS:
 HAILSTORMS
 DRNKOSAZANA
 DLAMINI-ZUMA LM

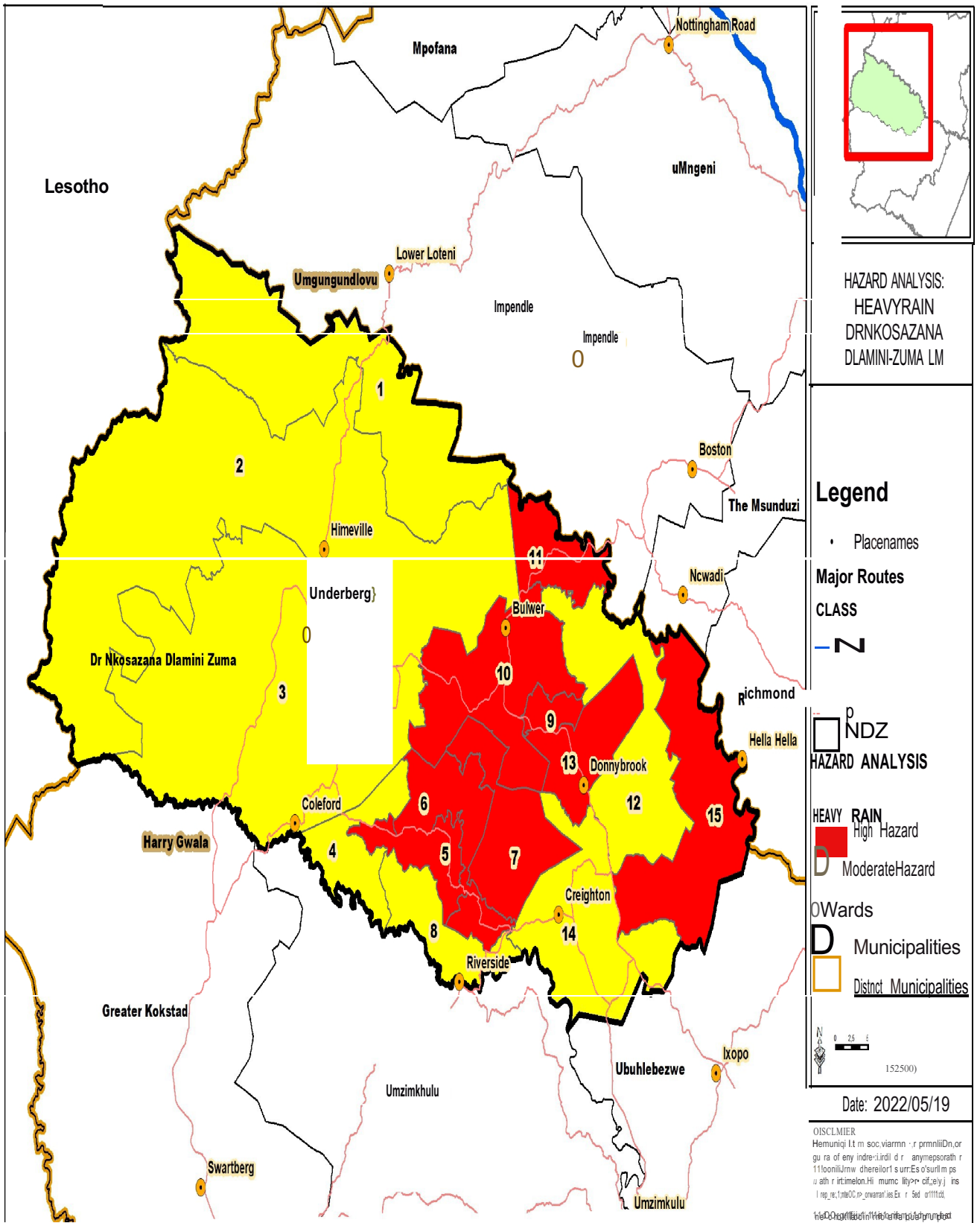
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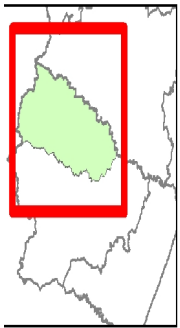
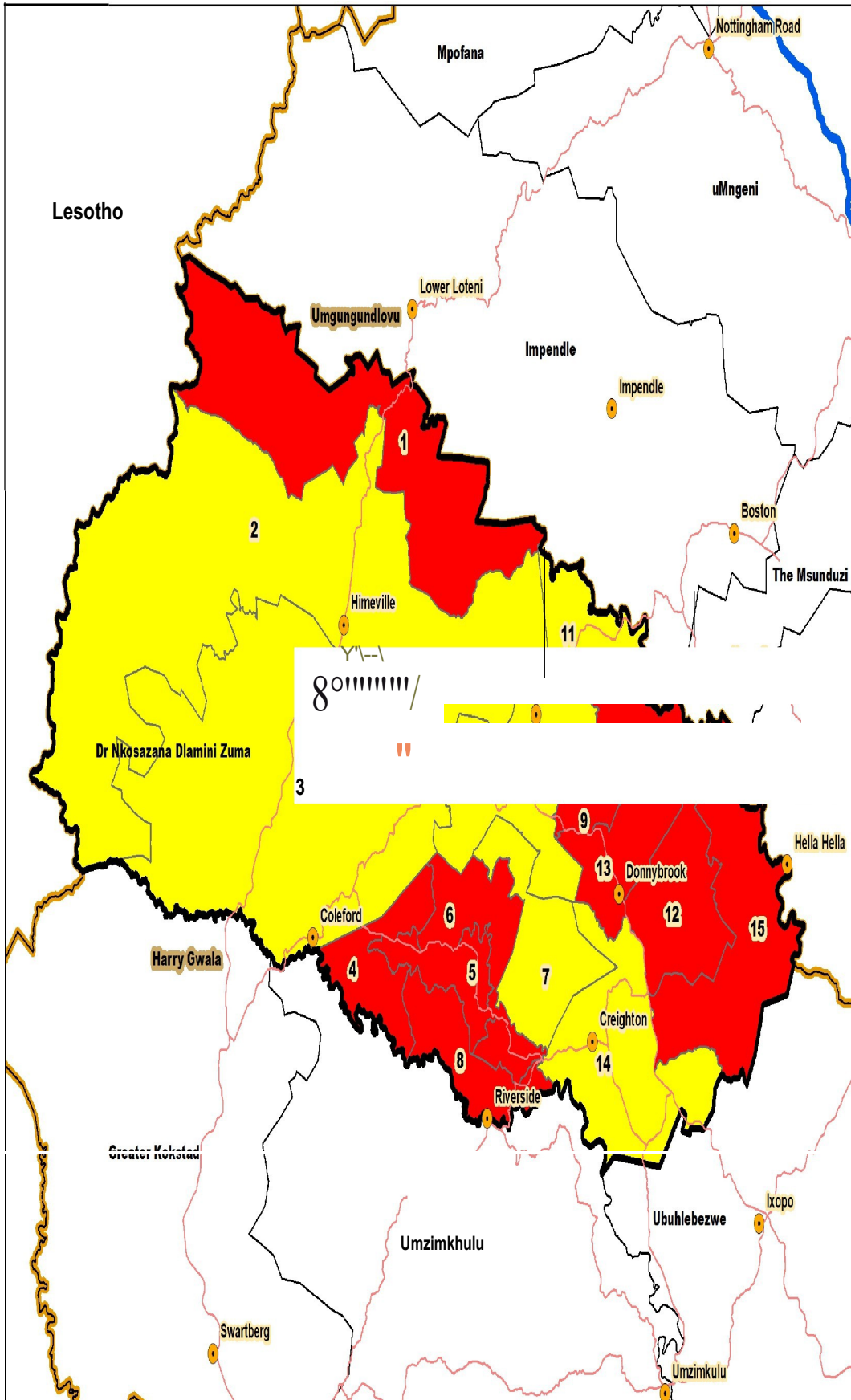
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- Major Routes
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- HAZARD ANALYSIS**
- HAILSTORMS**
- High Hazard
- Low Hazard
- D Moderate Hazard
- D VVards
- D Municipalities
- District Municipalities



Date: 2022/05/19

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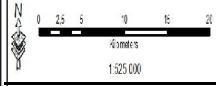
HAZARD ANALYSIS:
 LIGHTNING
 DR NKOSAZANA
 DIAMINI-ZUMA LM

Legend

- Placenames
- Major Routes
- CLASS
- N

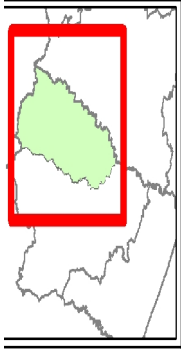
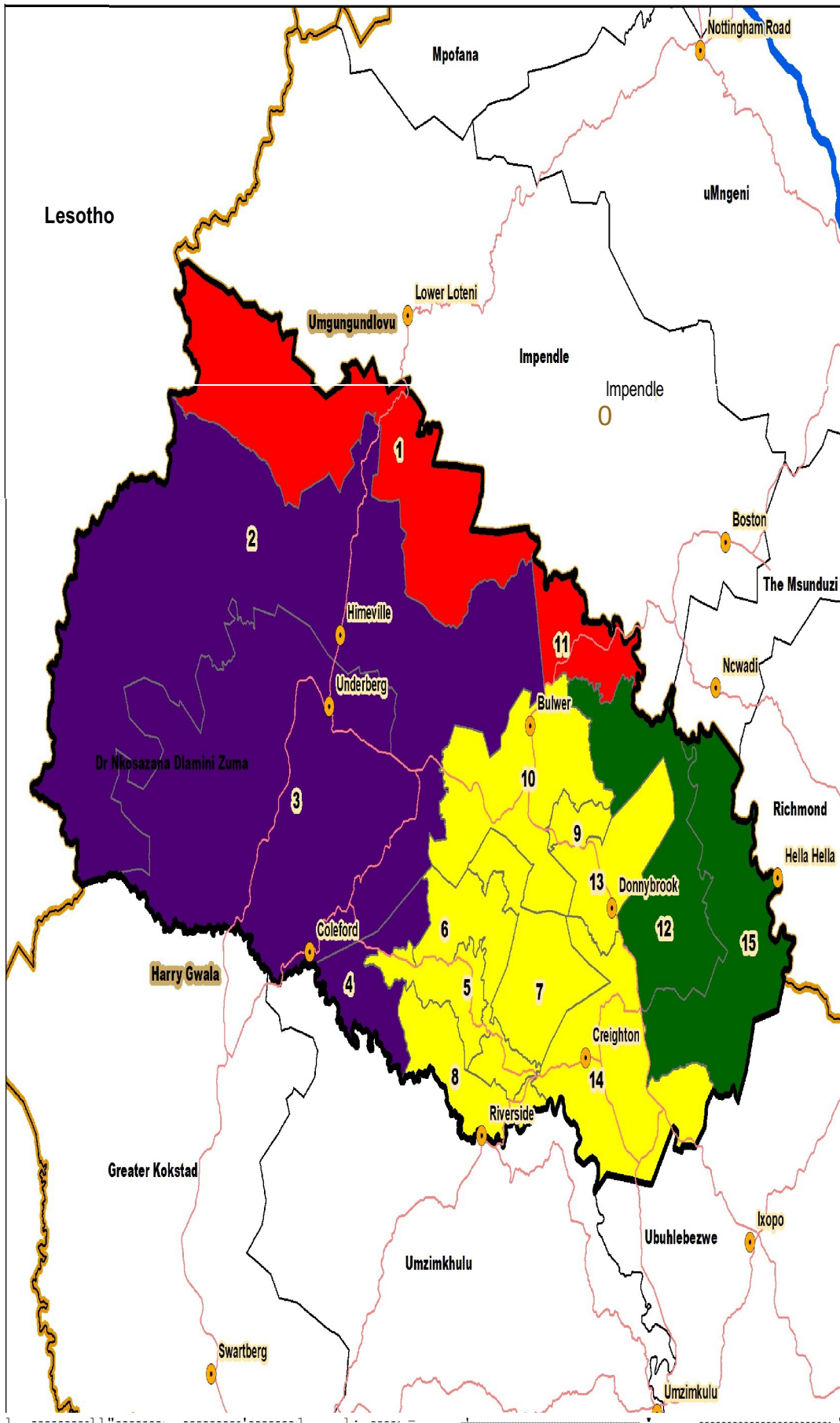
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 HAZARD ANALYSIS

- High Hazard
- Moderate Hazard
- Dwards
- Municipalities
- District Municipalities



Date: 2022105119

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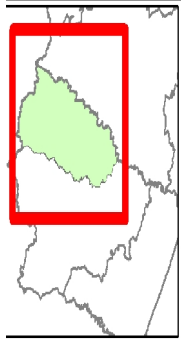
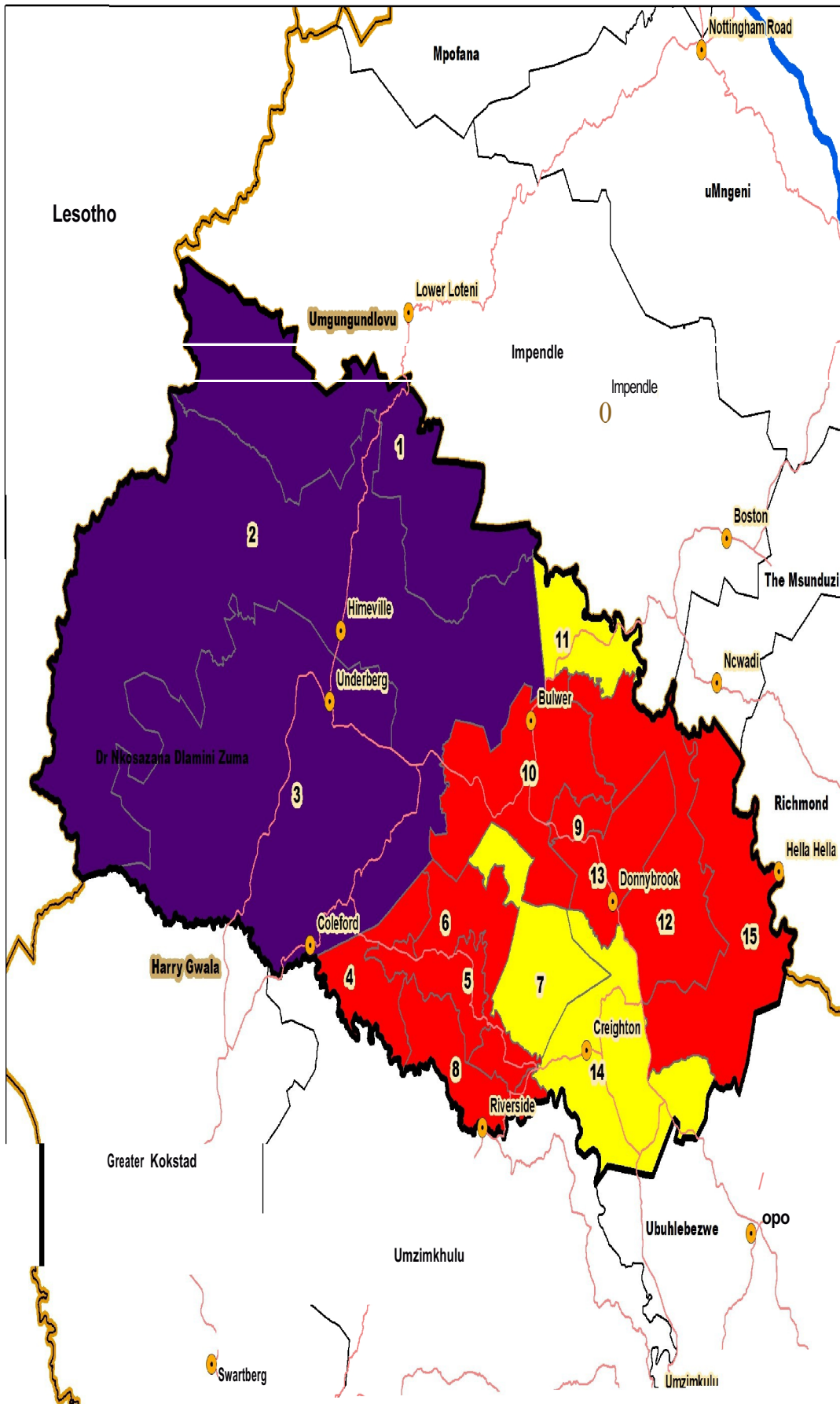
HAZARD ANALYSIS:
SNOW
DRNKOSAZANA
DLAMINI-ZUMA LM

Legend

- Placenames
- Major Routes
- CLASS
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- HAZARD ANALYSIS
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 - Extreme/High Hazard
 - Moderate Hazard
 - Low Hazard
- Districts
- D Municipalities
- District Municipalities

Date: 2022/05/19

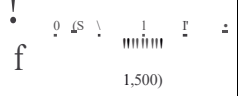
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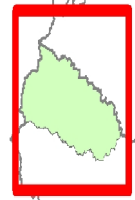
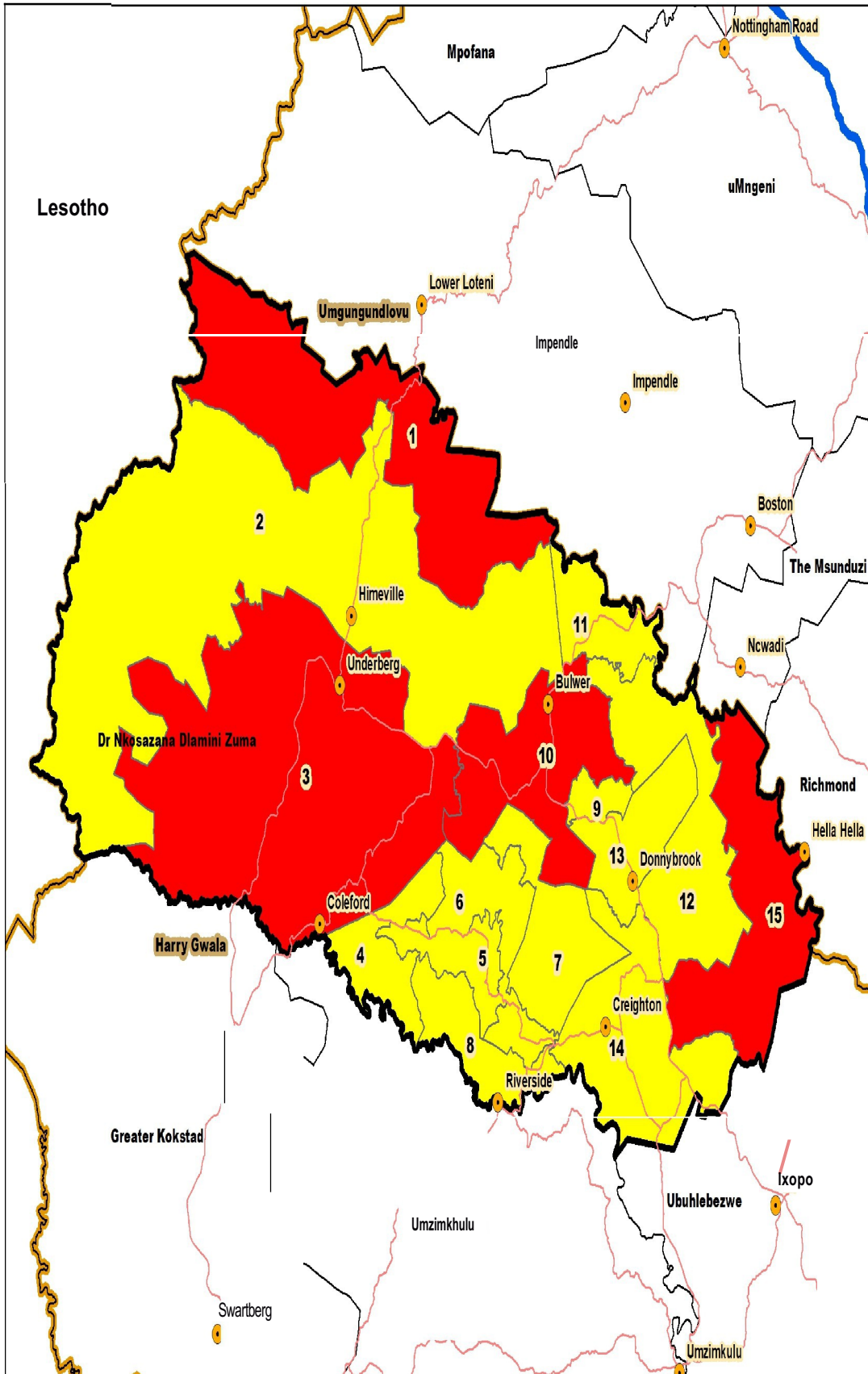
- Placenames
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HAZARD ANALYSIS:
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DLAMINI-ZUMA LM

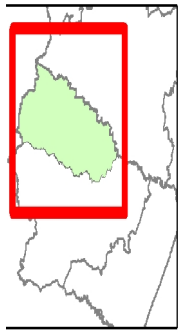
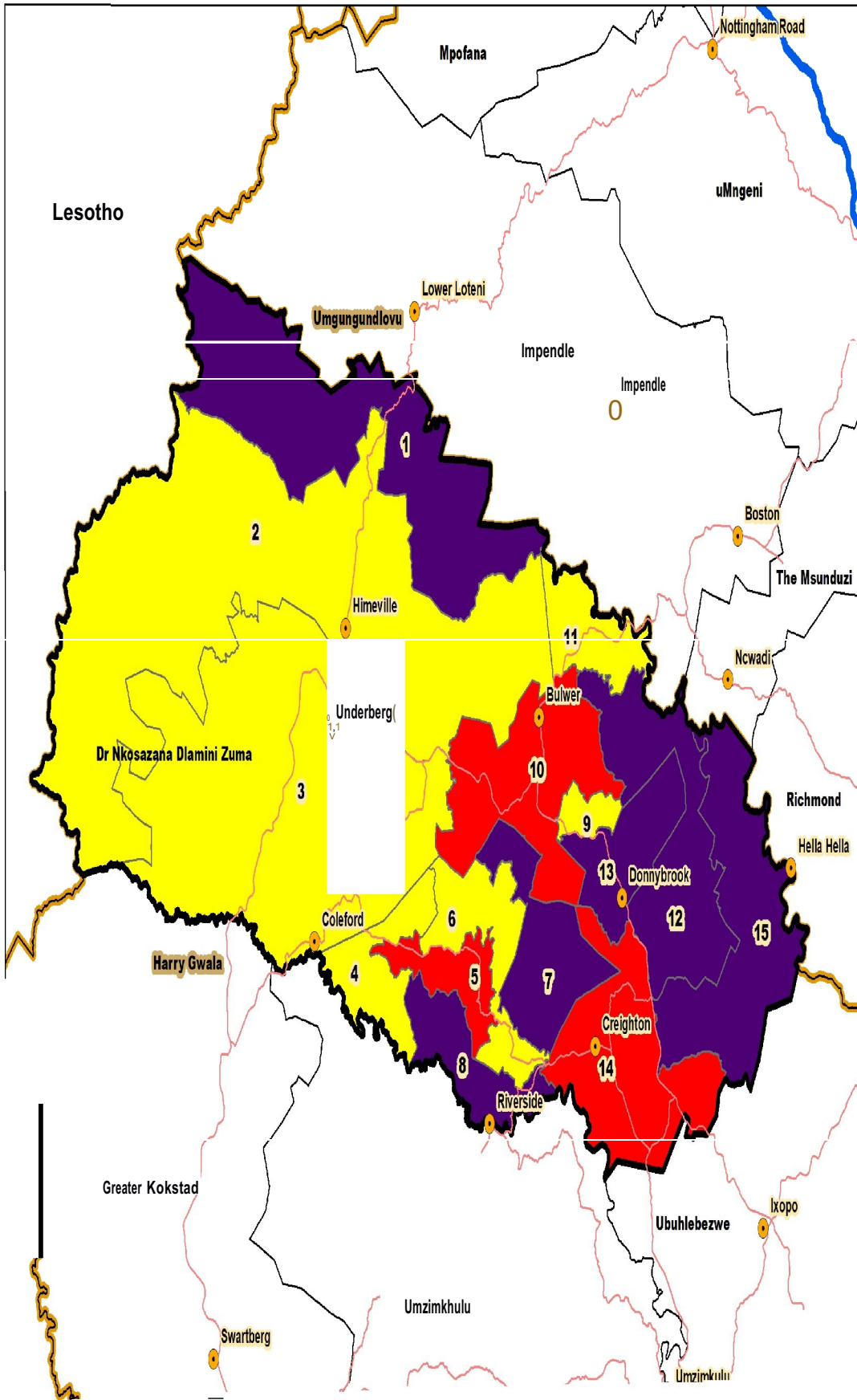
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DLAMINI-ZUMA LM

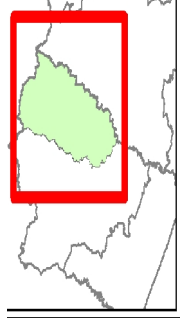
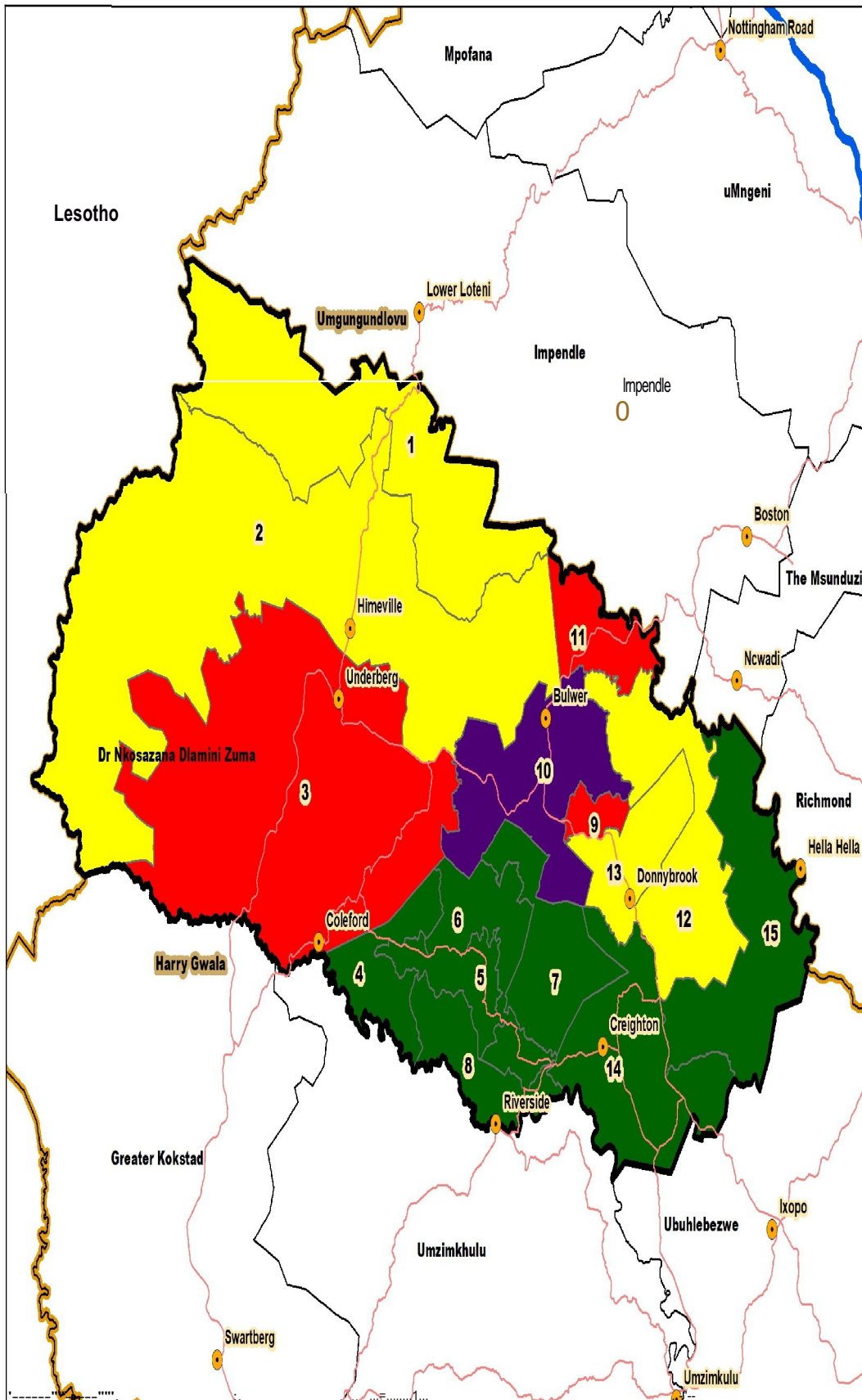
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- Placenames
- Major Routes**
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- NDZ
- HAZARD ANALYSIS**
- VELD FIRES**
- Extremely High Hazard
- High Hazard
- Moderate Hazard
- OWards**
- Municipalities
- District Municipalities

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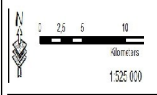
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HAZARD ANALYSIS:
ROAD ACCIDENTS
DR NKOSAZANA
DLAMINI-ZUMA LM

Legend

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- Major Routes
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- ROAD ACCIDENTS**
- ExtremelyHighHazard
- HighHazard
- ModerateHazard
- LowHazard
- OWards**
- D Municipalities
- D DistrictMunicipalities



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KPA 3 – Disaster Risk Reduction

The municipality has implemented the following projects and programs as part of disaster risk reduction within the municipality.

FIRE BREAKS

On annual basis, the municipality does fire breaks in different areas identified as high risk to veld fires which can in turn damage properties and infrastructure. This process starts towards the end of May and finishes around beginning of July.



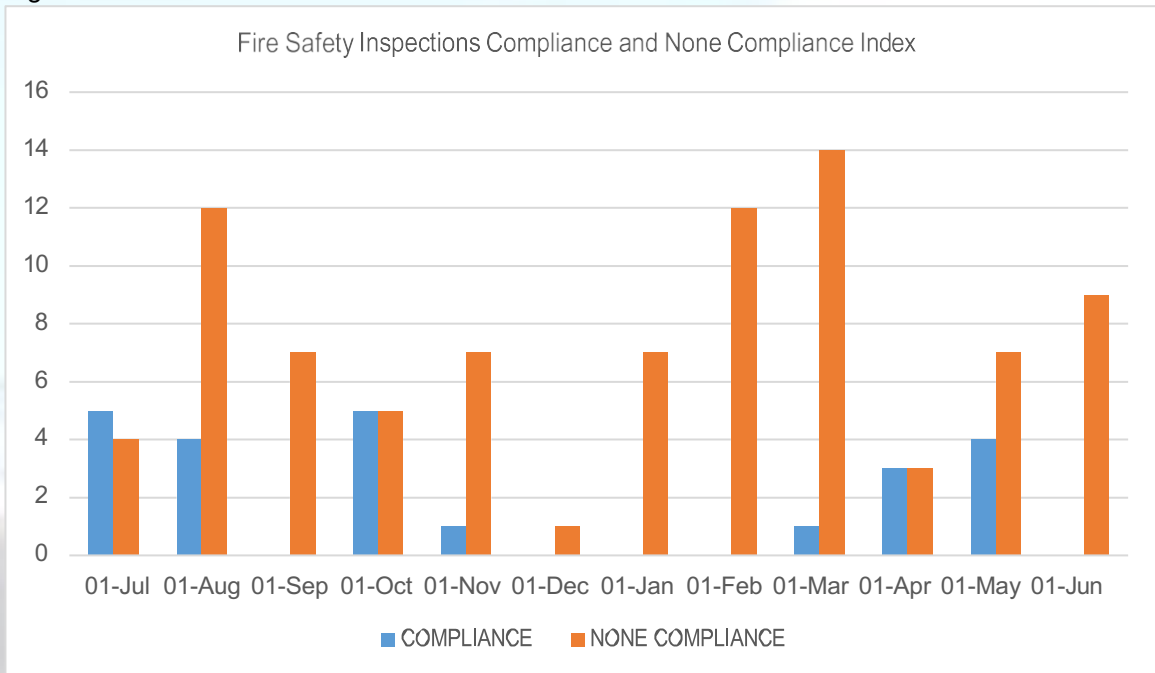
FIRE SAFETY INSPECTIONS

The municipality conducted one hundred and twenty-five (125) fire safety inspections throughout the year, wherein some were found to be none compliant and some compliant.

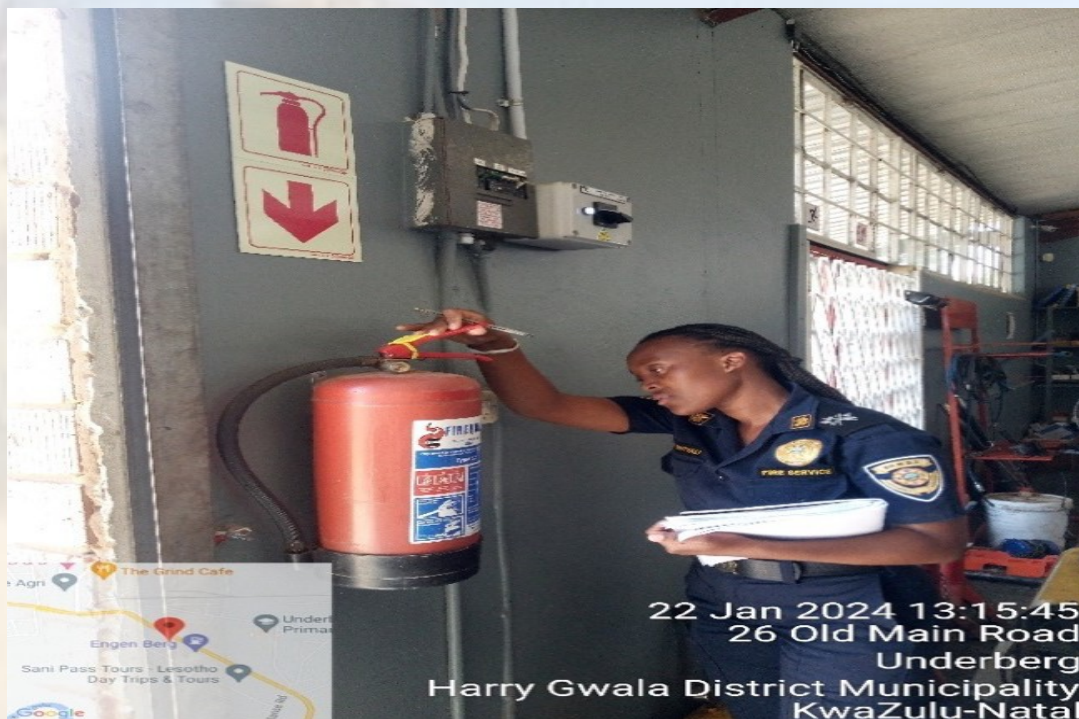
Jul 23		Aug 23		Sep 23		Oct 23		Nov 23		Dec 23		Jan 24		Feb 24		Mar 24		Apr 24		May 24		June 24	
C	N	C	N	C	N	C	N	C	N	C	N	C	N	C	N	C	N	C	N	C	N	C	N
5	4	4	12	7	0	5	5	1	7	0	1	0	7	0	12	1	4	3	3	4	7	0	9

Table 82

Fig.16



From the table above, one can conclude that, over the months none compliance is superseding compliance. This therefore conclude that, the fire services must begin to penalize government institutions and business premises that do not comply with the fire regulations. There are also fire prevention bylaws that are in the process of being gazetted which are going to assist on the issue of fire safety compliance.



INSTALLATION OF LIGHTNING CONDUCTORS

The area of jurisdiction of Dr. Nkosazana Dlamini Zuma Municipality is prone to diverse weather patterns that pose different natural hazards to the community. Thunderstorms and lightning are some of the hazards that are imminent in this area.

As part of mitigating the effects of lightning, the municipality is making provision for budget to install lightning conductors as a measure to save people’s lives. During the 2023/ 2024 financial year, the municipality installed 41 lightning conductors in different areas and/ or wards. The Provincial Disaster Management Centre through the HGDM also assisted with five (5) lightning conductors. This therefore implies that a total of 46 lightning conductors were installed in the area of jurisdiction.



KPA 4 - Response and Recovery

The municipality responded to quite a number of disaster incidents during the financial year 2023/2024 wherein emergency assistance was provided to residents where necessary. The disaster incidents were recorded as follows in line with the disaster assessment forms:

DISASTER INCIDENTS FOR THE FINANCIAL YEAR 2023/2024		
MONTH	TYPE OF DISASTER INCIDENT	NUMBER
July 2023	Strong wing	1
	Structural Fires	9
August 2023	Structural Fires	3
	Strong Wind	56
September 2023	Structural Fires	11

DISASTER INCIDENTS FOR THE FINANCIAL YEAR 2023/2024

MONTH	TYPE OF DISASTER INCIDENT	NUMBER
	Strong Wind	34
October 2023	Lightning	3
	Strong wind	9
	Heavy Rain	10
	Structural Fires	10
November 2023	Heavy Rain	3
	Hail Storm	17
	Lightning	8
	Structural Fires	1
	Strong Wind	55
December 2023	Hail Storm	5
	Heavy Rain	14
	Strong Wind	1
	Structural Fire	1
January 2024	Heavy Rain fall	165
	Structural Fires	2
	Drowning	1
	Hail Storm	27
	Strong Wind	3

DISASTER INCIDENTS FOR THE FINANCIAL YEAR 2023/2024		
MONTH	TYPE OF DISASTER INCIDENT	NUMBER
February 2024	Hail Storm	4
	Heavy Rain	1
March 2024	Heavy Rain	2
	Structural Fires	2
	Hail storm	2
April 2023	Lightning	1
	Heavy Rain	8
	Structural Fire	4
May 2024	Structural Fires	5
	Lightning	2
June 2024	Structural Fires	9
	Lightning	1
	Strong Wind	1

Table 83

SUMMARY OF THE ABOVE INCIDENTS

NAME OF INCIDENT	NUMBER
Heavy Rain	203
Structural Fires	57
Lightning	15

Hailstorm	29
Strong Wind	159

Table 84

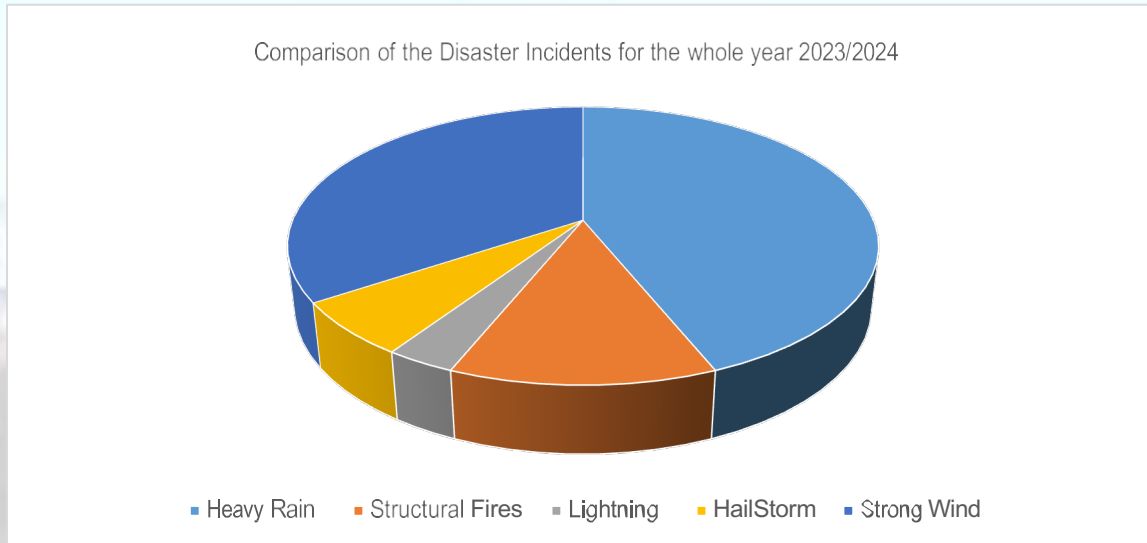


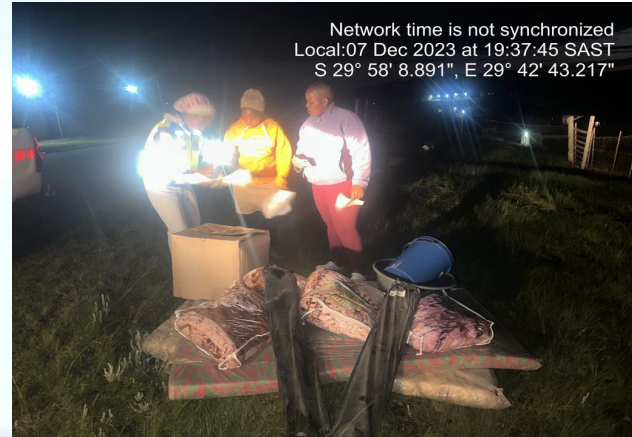
Fig 17



Some of the properties destroyed during the year due to disaster incidents

EMERGENCY RELIEF

The municipality in collaboration with other disaster management stakeholders ensures that, whenever there are disaster incidents, emergency relief is coordinated accordingly and distributed to those affected. During the year there were a number of emergency relief measures were organized and distributed to the victims of disaster incidents ranging from blankets, food parcels, sponges, box Bs, and other material.



Relief material being provided to victims of disaster incidents

Enabler 1- Information, Communication and Information System

The municipality currently does not have a Disaster Management Communication and Information System in place. Currently COGTA is developing a system in collaboration with CSIR which will integrate all the municipalities interested within the province, for which Dr. NDZ shall as follow suit.

There are municipality will have to buy gadgets that will be utilized to integrate into the system.

Enabler 2- Education, Training and Public Awareness and Research

This is one of the most important aspects in disaster management, to always capacitate communities to be resilient on disaster incidents and/ or disasters. It is of paramount importance for the people to fully understand as to how they have to react in case of disaster incidents and / or disasters realized to ensure that, lives are saved and minimized injuries wherever possible.

The municipality undertook quite a number of Integrate Community Safety Awareness campaigns within its area of jurisdiction as part of capacitation of its communities. Below are pictures showing such awareness campaigns:



Some of awareness campaigns that were conducted during the year

Enabler 3- Funding Arrangements

Dr. NDZ municipality is one municipality that has taken seriously the issue of ensuring compliance with all disaster management legislation by putting infrastructure in place and establishing an emergency center that will ensure enhanced response and proactive measures for disaster management.

The municipality over the past five years has made internal budget provisions towards disaster management despite its limited financial muscle to ensure compliance.

COGTA funded the municipality with an amount of One Million Rands to procure furniture for the emergency centre.

DR NDZ MUNICIPALITY BUDGET FOR DISASTER MANAGEMENT 2023/2024

NUMBER	PROJECT NAME	PROJECT DESCRIPTION	FUNDING SOURCE	Financial Year :2023/2024
1.	Integrated Community Safety Awareness Campaigns (ICSAC)/ COVID-19 Awareness Campaigns	4 ICSAC	INTERNAL	R 0
2.	Ensuring sustainability of the Disaster Management Advisory Forum (DMAF)	Conduct 4 DMAF	INTERNAL	R 7 500. 00
3.	Dr. Nkosazana Dlamini Zuma Municipality's Emergency Centre	Procurement of Furniture and Equipment	INTERNAL	R 2, 000 000. 00
4.	Disaster Relief Provision (Indigent)	Procurement of blankets, sponges and plastic sheeting	INTERNAL	R 212, 000. 00
5.	fire safety inspections	80 fire safety inspections conducted	INTERNAL	R 0, 00
6.	Installation of lightning conductors	40 lightning conductors procured and installed	INTERNAL	R 250, 000. 00
8.	Fire Fighting Equipment	Procurement of Fire Fighting Equipment	Internal	R 250, 000. 00
9.	Hazmat absorbents	Procurement of Hazmat spillage absorbent, Vehicle washing chemicals and Foam	Internal	R 72, 800. 00

DR NDZ MUNICIPALITY BUDGET FOR DISASTER MANAGEMENT 2023/2024

NUMBER	PROJECT NAME	PROJECT DESCRIPTION	FUNDING SOURCE	Financial Year :2023/2024
10.	Covid 19 Buildings sanitization	Procurement of Sanitizing chemicals	Internal	R0
11.	Covid 19 taxi facilities and public transport sanitization	Procurement of Sanitizing chemicals for war-rooms	Internal	
12.	Fire Protection Association Membership	Payment of Fire Protection Association membership	Internal	R 37, 000. 00
13.	Fire Satellite Stations	Procurement of Park Homes	Internal	R0
14.	Transport Assets	Procurement of fire Services transport assets	Internal	R 3, 000 000. 00
15.	Personal Protective Equipment	Procurement of uniform	Internal	R 500, 000. 00
16.	Conferences and Seminars	Attendances of Conferences and seminars	Internal	R 10, 000.00
22.	Communication and Information System	Procurement of communication and Information system including call centre	Internal	R 800 000. 00
TOTAL			INTERNAL	R 7,139, 300.00

Table 85

LIBRARIES

The Dr. NDZ municipality in collaboration with the Department of Arts and Culture manages the four libraries that are available within the area of jurisdiction of the municipality namely:

- Bulwer Library
- Creighton Library
- Underberg Library
- Nkwezela Modular Library

There is another very small modular library in kilimon at Zidweni that is also operating hence it is not a fully fletched library.

There is a memorandum of Understanding that is signed on annual basis by the municipality and the Department of Arts and Culture clarifying the roles and responsibilities between the two parties.

There are a number of activities that are conducted in the libraries, ranging from making different types of books made available for patrons, internet for research purposes, basic computer training, outreach programs.

LIBRARY BASIC COMPUTER TRAINING

The libraries conduct computer trainings mostly to the youth within Dr. Nkosazana Dlamini Zuma Municipality and it is worth mentioning that, some of the people trained have received employment through such basic computer training.

The table below shows the number of people that undertook to do such training and obtained their certificates in such training.

MONTH	NUMBER OF PEOPLE TRAINED	NUMBER OF TRAININGS CONDUCTED	LIBRARIES
July 2022	39	2	Underbrg
August 2022			Bulwer
September 2022			Nkwezela
October 2022	75	2	Underberg
November 2022			Bulwer
December 2022			Nkwezela
January 2023	29	2	Underberg
February 2023			Bulwer

MONTH	NUMBER OF PEOPLE TRAINED	NUMBER OF TRAININGS CONDUCTED	LIBRARIES
March 2023			Nkwezela
April 2023	123	3	Underberg
May 2023			Bulwer
June 2023			Nkwezela
TOTAL	266	9	

Table 86

It is worth noting that, Creighton library did not have a cybercadet during the above period hence such library is not appearing in the above table.

LIBRARY OUTREACH PROGRAMS

The libraries also conduct outreach programs that seek to promote the activities of the libraries, so as to inform people to access such libraries should a need arise. The outreach programs are done mostly at schools to encourage them to do their projects and programs for school using the information at the libraries.

Schools within Dr. Nkosazana Dlamini Zuma are visited on regular basis to conduct such outreach programs in partnerships with the schools.



MUNICIPAL ANIMAL POUNDS

The municipality has got two (2) municipal animal pounds within its area of jurisdiction located in Himeville and Creighton. Such municipal animal pounds are utilized to keep animals that have been impounded wandering from the road network within the area of jurisdiction of the municipality.

Animals brought by SAPS as exhibits of livestock theft are also kept at the municipal pounds until such time that, the court has undertaken all its processes and finalized.

In light of the number of livestock impounded, it raises a lot of concerns in terms of whether community members take it seriously to look after their livestock.

The animal pound team undertakes to conduct awareness campaigns on regular basis to inform the community members about the importance of taking care of their live -stock and the negative impact that such has on the road networks and as well to them after they have been impounded.





INSTALLATION OF SILOS AT THE ANIMAL POUNDS

The municipality installed silos in its both municipal animal pounds during the financial year. This was done to keep the feed for animals in order to ensure that it is kept in bulk and monitored accordingly as well as safe keeping.



3.20 COMMUNITY AND SOCIAL PROGRAMMES UNIT

The unit is comprised of five sections focusing on social development programmes like Youth, Gender and Children, HIV/Aids, TB, Senior citizens and disability programmes, Operation Sukuma Sakhe (OSS) and Sports, Arts and Culture.

YOUTH UNIT

Youth Forums

Youth programmes are conducted to promote positive outcomes by providing a variety of opportunities, providing support necessary to develop young people and fostering positive relationships. These programmes intend to minimize the engagement of young people in risky behaviors but to improve in social, emotional and leadership skills. To ensure young people share their ideas, opinions and needs, four youth forum meetings were conducted during the 2023/2024 financial year. These forum meetings are held on a quarterly basis.

To encourage youth to become active citizens and participate in development processes, the Youth Council was re-elected in 2023. It is comprised of ten (10) members: Chairperson, Deputy Chair, Secretary, Deputy secretary and six additional members representing different sectors such as, Youth in Business, Youth with disability, Women, Professionals etc.

The picture below depicts the Dr Nkosazana Dlamini Zuma Youth Council



In September 2023, a two days youth camp was held in Glenbain Farm in Himville. Seventy (70) young male learners from different high schools within the municipal area of jurisdiction went camping. The main purpose for the camp was to encourage young people to engage in a dialogue and voice out issues that directly affects them and initiate intervention and programs to address those issues.

The picture below depicts Youth Camp in progress:



Awareness Campaign

Youth in South Africa today face a number of challenges in their everyday lives that could impede on their health. Some of these challenges are unemployment, poverty, health, violence and bullying at school and in the relationship. To support and uplift the youth, awareness campaigns were conducted, but mainly to address issues that affect youth and to educate them on initiatives put in place to assist them. These initiatives are aimed at supporting young people in education, employment and entrepreneurship. Awareness campaigns were conducted in different wards in collaboration with the Office of the Premier. The office of the premier provided a mobile bus that is fully equipped with computers to assist the youth to apply for higher education online.

Back to School Campaign in progress



Back to School Campaign

To encourage our children to pursue education and make it a priority to finish school and to ensure that learners and teachers work together to attain the best possible results and set high standards, Back to school campaign was conducted. The main aim was to encourage and motivate learners to keep up the good work and those who did not perform well, to work hard in order to attain good results. As a form of encouragement, all high schools were supported with mathematical and Physical Science dictionaries and 5 school uniform vouchers for the value of R500 each to assist vulnerable learners. Indigenous trees were planted in schools. Mandadla high school was supported with 15 school shoes for learners. Masamini was supported with scientific calculators and instruments.

The picture below depicts Matric awards ceremony



Matric Awards

As a form of encouragement and motivation to learners and teachers, Matric award ceremony was held on the 8th of February 2023 to award top ten best performing learners within Dr. Nkosazana Dlamini Zuma municipality. 2024 at Bulwer Hall. The ceremony was honored by the presents of former MEC of education, MPL Mbali Fraser. Top 3 learners were awarded with full bursaries, cellphones and laptops. Position 4 to 10 learners were awarded with a R10 000 that may assist them to register in higher learning institutions. All top 10 learners were gifted with a R2,500 gift card.

Learners Driving Training

To improve safety within Dr Nkosazana Dlamini Zuma municipality and increase job opportunities, a total number of thirty (30) young people was capacitated in driving skills. The training was conducted by Ukukhanya driving school. All learners completed the training in June 2024

The picture below illustrates career exhibition:



Career Exhibition Programme

To introduce Grade 12 learners to a number of programmes and courses offered by different higher institutions and also to provide platform to engage and ask question to representatives from higher learning institution, the municipality held a career exhibition on the 27th of May 2024 at Bulwer community hall. The purpose was to inspire grade 11 and 12 learners to perform better and make awareness of the relevant careers they need to consider post matric.



Mayoral Cup

Mayor's cup was held on the 26 & 27 June 2024 at Bhambatha sports field to nurture culture where sport becomes a catalyst for personal growth and community development. All teams that won position 1 in their ward were competing and awarded with cash prizes and sports equipment.

Dr Nkosazana Dlamini Zuma Municipality held youth games in all wards where youth participated in a female football competition and netball codes. The purpose was to promote sports and healthy life style. First position received an amount of two thousand rands (R2000). Second position received an amount of one thousand rands (R1500) third position received one thousand rand (R1000) and fourth position received five hundred rand (R500)

Gender

In order to create opportunities for critical and constructive dialogue as well as reflecting on gender – related issues, the Gender forums are convened four times annually. The forum incorporates ward committees, Izinduna that represent men sector, NGO's, different government departments. The forum is chaired by Nduna Sokhela who is the chairperson of men's sector.

The picture below depicts gender forum



Children Programs

The Children forums are convened twice in a financial year to give children and young people encouragement, motivation, ensure unity and strengthen their voices as they learn how to work joining hands with their communities. The forum is composed of SAPS and DSD. It is coordinated by Dr. Nkosazana Dlamini Zuma municipality.

Men's Forum

July is a Men's month whereby men and young boys are encouraged to voice out the challenges they are facing in life. It could be at home, work, school or even within the community they live in. Men are encouraged to engage in dialogues and become advocates in issues that are affecting them in a society and to get a chance to do self-introspection about their role in a society. In July 2023 a dialogue was held at Sandanezwe to discuss social issues that affects mem. Male government Stakeholders attended this event. Another men's programme was initiated and supported by Office of the Premier at

Kwa Njobokazi hall in ward 10. The facilitator of the programme was the Director responsible for men's sector



Women's Month was held on the 18th August 2023 at KwaPitela ward 2 where Mayor was handing over gifts to females like umbrellas and doeks.



Gender unit supported all GBV Victims that their cases were reported to the forum. A victim from ward 1 who opened a case was support by the forum and the perpetrator was sentenced to 10

years in jail. 16 Days of Activism was held in December with World Aids day at Underberg hall ward 03.

Community and stakeholder march and Operation Mbo



Human Rights Day was held on the 20th March 2024 at Macabazini hall. The event commenced with a march and Operation Mbo. Services were rendered by the different government stakeholders. Department of health brought the mobile clinic for the community to be assisted in different illnesses. For instance, the dentist was on site to provide their services to the people.

The event was attended by Gender commission, Public Protector and Human Rights Commission. In 2023 a new gender forum called LGBTQ was established to accommodate different genders that people in South Africa associate with to avoid discrimination.

Community Programs (HIV/Aids, TB, Senior citizen and Disability)

The Local Aids Committee (LAC) that is chaired by Mayor was established and is functional. Government stakeholders form part of the committee. The reports are prepared and presented by the Department of Health. In Dr Nkosazana Dlamini Zuma the reports are presented by St Apolinaris hospital and Polela Clinic. The reports unpack the health issues within the municipal area of jurisdiction. All relevant stakeholders came up with the intervention to address challenges tabled by department of health. The LAC meetings are held quarterly. On the 8th of December 2023 the HIV/Aids day was held at Underberg hall in ward 03. The programme was aligned with 16 days of Activism. The municipality was identified as a hot spot of TB and we responded by having many TB awareness campaign in those wards that were identified and a TB Day was held on the 20th March 2024 at Macabazini Hall.

Gogo Madlala & Mkhulu Tshabalala



Senior citizen's forums are held on a quarterly basis to offer a platform for the elderly to interact with each other. Unwind themselves and talk as some of them are neglected by their children. Its chairperson is a senior community member.

Golden games

Senior citizens were held to improve physical and mental health among the elderly. It is aimed at promoting active aging to avoid or reduce chronic illness by sporting events. On the 09th August 2023 a meeting was held at Bhambatha Hall and to present the district golden games, Provincial games in Port Shepstone and the National in Bloemfontein. Two participants Mr Shabalal who run 800M came number one and was awarded with a Gold Silver. Ms Madlala who came the second and was awarded with a silver medal. The municipality supported the participants with travelling suitcases.

Mkhulu Shabalal participating in Golden Games



In October 2023 Dr Nkosazana Dlamini Zuma in partnership with Dept of Community Safety had senior citizen's day at Macabazini where they were welcoming and congratulating those who participated during golden games.

In November 2023 the municipality in collaboration with Department of Social Development commemoration of the senior citizens, visited Gogo Mnguni who was celebrating her 114 Years. She was born in 1909. Gogo Mnguni passed away in 2024 June at the age of 115 years. Dr Nkosazana Dlamini Zuma care for the senior citizens,

Gogo Mnguni and Daughter supported with groceries.



District Disability games and participating in Provincial Games



Public Service week



PUBLIC SERVICE WEEK

In commemoration of Nelson Mandela Day, public service week was held on the 18th July 2023 at ward 13 where the house was painted, fencing of the garden and planting vegetables for the family. On the 19th July 2023 a science kit was handed over to Ralph Harding ham High and a wheel chair for Mr Dlamini in ward 9 who is physical disable

Operation Sukuma Sakhe

Local task team (LTT) is a platform whereby stakeholders gather to share progress, challenges and upcoming programmes. The structure is functional and it sits quarterly. It is aligned with LAC to ensure that crucial inputs of Aids council reach the agenda of the municipal council.

Three vulnerable families were visited 3 and were profiled for OSS Houses internal funding.

HANDING OVER OF OSS HOUSES



Former MEC of Human Settlement Nkosi handed over an OSS house to Masondo family at Enhlanhleni area in ward 02. This was an intervention for OSS cases that were raised during the war room On the 6th and 17th May 2024 Dr Nkosazana Dlamini Zuma municipality handed an OSS house to Mbanjwa & Mnguni Families.



ARTS AND CULTURE



To promote social cohesion, create economic sustainability and develop livelihoods and preserve the historical culture and heritage on the 28th-30th July 2024 Dr Nkosazana Dlamini zuma held Umkhsi wentombi zaseHarry Gwala at Mqatsheni location under Inkosi Duma in ward 01. The main purpose is to encourage young maidens to preserve their virginity.



Arts and culture held zonal competition on the 20th of May to 17th of June 2024. Zone 1 was held in Himeville hall which including ward 1,2,3 &4. Zone 2 at Magqubeni/Hlane Hall ward 5,6 &8.

Zone 3 at Nkelabantwana Hall ward 07,09,10,11 &12. Lastly zone 4 at Junction Hall ward 13, 14 &15.

Horse Racing

Dr NKOSAZANA DLAMINI ZUMA HORSE RACE& TRAINING OF JOCKEY'S

Each financial year in August we have an annual program called Dr NDZ horse race where our community compete with each other. The main purpose is to train young female jockeys, also to select horses to participate in the district selection and to ensure readiness for the Harry Gwala Summer Cup.



HARRY GWALA SUMMER CUP

Harry Gwala Summer cup is an annual district horse racing. It was held at Mlindeli Sports field in ward 05. The crafters and Artist are participating to this event exhibiting their craft work and artist performing.



BONGUMUSA TRAINING MARATHON

Dr Nkosazana Dlamini Zuma Municipality held Bongumusa Training Marathon on the 12th December 2024 from Bhambatha Sports field to Impendle Local Municipality.



WILLY MTOLO CROSS COUNTRY

On the 9th May Dr Nkosazana Dlamini Zuma held a Willy Mtolo Cross Country for young talented athletes from primary and high school between 9-19 years old male and females. This event aims to encourage primary and high learners to perform very well in sports and academically.

SAZI LANGA MARATHON



The annual 10 km Sazi Langa Marathon was held on the 17th March 2024 it started at Mtshawazo Primary school to Creighton Sports field.

2. PARKS AND CEMETERY

As a department we operate and maintain the Underberg and Himville cemeteries. The Bulwer cemetery is still under planning stage. The department is working hard to ensure that we explore other alternative burial methods like cremation. Parks are maintained by the internal personnel. The forum was launched and it sits quarterly and it plays an important role to ensure that our parks and cemetery are clean as we are tourism destination.



The programme forms part of the Service delivery Budget and Implementation Plan(SDBIP)

BULWER COMMUNITY CENTRE

Bulwer CSC is a municipal building that accommodate various government departments to ensure that community get services in one place. As well as revenue enhancement strategy. Awareness campaign was held to take services to the communities and raise awareness on services offered by the CSC. Department of Social Development, Thala bank, Post Office, IEC, Harry Gwala District cashier, Cogta CDW offices. Dr NDZ Youth unit, CWP render their services at the CSC.



The CSC building has leased different departments:

TENANTS	RENTAL AMOUNT	FINANCIAL YEARS
Department of Social Development	R 24 000.00	2023/2024
Ithala bank	R 15 500	2023/2024
Harry Gwala DM	R 11 000	2023/2024
Independent Electoral Commission	R 10 000	2023/2024
Stalls (vacant)	R 0.00	2023/2024

Table 87

Challenges

The center is operating with one manager, EPWP and CDWs. There is a shortage of staff: Receptionist and cleaners.

3.21 ASSESSMENT OF EXTERNAL SERVICE PROVIDERS 2022/2023 FINANCIAL YEAR

In terms of section 46 of the Municipal Systems Act,

(1) A municipality must prepare for each financial year a performance report reflecting- (a) the performance of the municipality and of each external service provider during that financial year.

External Service Provider is defined as:-

'External service provider' means an external mechanism referred to in section 76 (b) which provides a municipal service for a municipality”

Municipal Service is defined as:-

'Municipal service' means a service that a municipality in terms of its powers and functions provides or may provide to or for the benefit of the local community irrespective of whether-

(a) such a service is provided, or to be provided, by the municipality through an internal mechanism contemplated in section 76 or by engaging an external mechanism contemplated in section 76; and (b) fees, charges or tariffs are levied in respect of such a service or not;

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 SCM unit as well. Service providers who fail to perform are reported to SCM and the necessary action is taken including the termination of the contract or cancellation of an order. It must be noted that the delays in completing some of the service delivery projects is as a result of delays in the SCM processes in terms of appointing suitable service providers. A number of bids had to be re-advertised due to bidders not being able to meet all the necessary bidding requirements as per SCM regulations and laws. This cripples service delivery however it is understood that the municipality may face litigations by not awarding deserving service providers and some projects had to be changed to multi-year projects instead of them being completed in one financial year. As a mitigation strategy the management has resolved to appoint service providers as panels and for major capital projects, service providers will be appointed on a multi-year basis contract. All service providers were able to give assurance that they have capacity to provide the services as per their SLA/ contracts with the municipality. vi

Example:

Assessment Key	
Good (G)	<i>The service has been provided at acceptable standards and within the time frames stipulated in the SLA/Contract</i>
Satisfactory (S)	<i>The service has been provided at acceptable standards and outside of the timeframes stipulated in the SLA/Contract</i>
Poor (P)	<i>The service has been provided below acceptable standards</i>
NA	Not applicable.

Table 88

NOTES

Other projects were delayed by SOD Turning to commence on time

Other projects will be paid in the 2024/2025 financial year because of the length of the projects but there is work in progress.

Bid Number	Name of external Service Provider	Date Contract Awarded	Service provided in terms of the SLA	Value of project	Comparison with previous year 2022/2023		Current Financial Year 2023/2024		Assessment of Service Providers Performance		
					Target	Actual	Target	Actual	GOOD	SATISFACTORY	POOR
COMM-B043/21/22	KWAKHAZIMULA PTY LTD	01/07/2022	PANEL TO SUPPLY AND DELIVERY OF DISASTER RELIEF MATERIAL (MATTRESS AND BLANKETS)	IT IS BASED ON THE RATES OF: BLANKET Y1:R375, Y2: R380, Y3: 385 SPONGE Y1: R790, Y2: R805, Y3: R810 AND PLASTIC SHEETING Y1: R160, Y2: 165, Y3: R170	Service Is Gets Done As And When Required	R 68 700,00		NIL	GOOD		
COMM-B043/21/22	MATHUTHA TRADING AND ENTERPRISE	01/07/2022	PANEL TO SUPPLY AND DELIVERY OF DISASTER RELIEF MATERIAL (MATTRESS AND BLANKETS)	IT IS BASED ON THE RATES OF: BLANKET Y1:R355, Y2: R375, Y3: R395 SPONGE Y1: R385, Y2: R395, Y3: R420 AND PLASTIC SHEETING Y1: R650, Y2: 700, Y3: R750	Service Is Gets Done As And When Required	R 37 050,00	Service Is Gets Done As And When Required	R109 537,50	GOOD		
BTO-B020/21/22	CAB HOLDINGS	01/08/2022	Provision Of Printing And Posting Statements Of Accounts	It Based On The Approved Rate Of R18,67	Service Is Gets Done As And When Required	R 336 029,74	Service Is Gets Done As And When Required	R444 553.80	GOOD		

Bid Number	Name of external Service Provider	Date Contract Awarded	Service provided in terms of the SLA	Value of project	Comparison with previous year 2022/2023		Current Financial Year 2023/2024		Assessment of Service Providers Performance		
					Target	Actual	Target	Actual	GOOD	SATISFACTORY	POOR
MM-B035/21/22	NOZULU FUNERAL MANAGEMNT	26/07/2022	Panel Of Funeral Parlours	It Is Base On The Approved Rate Of R2 950,00	Service Is Gets Done As And When Required	R 34 800,00	Service Is Gets Done As And When Required	R 33 700,00	GOOD		
MM-B035/21/22	AMANDABA FUNERAL SERVICES	26/07/2022	Panel Of Funeral Parlours	It Is Base On The Approved Rate Of R2 950,00	Service Is Gets Done As And When Required	R 66 800,00	Service Is Gets Done As And When Required	R 151 600,00	GOOD		
CORP-B036/20/21	KONICA MINOLTA SOUTH AFRICA	01/12/2022	Supply, Installation And Maintenance Of Printing/ Photocopying Machines	R1 029 142,44	R 257 285,61	R 257 285,61	257 285,61	R 257 285,61	GOOD		
COMM-B049/21/22	TOTAL COMPUTER SERVICE (PTY) LTD	01/09/2022	Supply, Installation And Maintenance Of Traffic Contravention Management System	R 58 765,00	R 19 588,00	R 19 588,00	R 19 588,00	R 19 588,00	GOOD		

Bid Number	Name of external Service Provider	Date Contract Awarded	Service provided in terms of the SLA	Value of project	Comparison with previous year 2022/2023		Current Financial Year 2023/2024		Assessment of Service Providers Performance		
					Target	Actual	Target	Actual	GOOD	SATISFACTORY	POOR
CORP-B045/21/22	EARLYWORK 266 T/A NASHUA	01/12/2022	Provision Of Telephones For A Period Of 3 Years	R 1 384 888,21	R 269 283,84	R 269 283,84	R 461 629,44	R 461 629,44	GOOD		
PWBS-B023/22/23	NDABASE GROUP	09/11/2022	Underberg Asphalt Surfacing Roads Phase 4	R 4 539 480,33	R2 383 434,40	R2 383 434,40	R 1 181 026	R 1 181 026,72		SATISFACTORY	
COMM-B015/22/23	ABENKANYEZI CONSTRUCTION AND KITCHEN CC	01/03/2023	Provision Of Drivers Licence Training For A Period Of 3 Years	It Is Based On The Approved Rate Of R35 700 Including Different Licence Codes	Service Is Gets Done As And When Required	R 111 500,00	R247 635,50	R247 635,50	GOOD		
CORP-B048/22/23	AUMSOFT TECHNOLOGY PTY LTD	10/02/2023	Supply Installation Of Antivirus Software For 200 Users For A Period Of 3 Years	R 302 735,18	R 88 574,27	R 88 574,27	R 101 860.41	101 860.41	GOOD		
	CELSIUS FAHRENHEIT ENGINEERING PTY LTD	26/01/2023	Construction Of Creighton Town Upgrade (Phase 2)	R 2 300 378,26	R 1 446 292,36	R 1 446 292,36	R 510 723,87	R 510 723,87			POOR

Bid Number	Name of external Service Provider	Date Contract Awarded	Service provided in terms of the SLA	Value of project	Comparison with previous year 2022/2023		Current Financial Year 2023/2024		Assessment of Service Providers Performance		
					Target	Actual	Target	Actual	GOOD	SATISFACTORY	POOR
PWBS-B035/22/23											
PWBS-B036/22/23	NDABASE GROUP (PTY)LTD	26/01/2023	Construction Of Bulwer Town Upgrade (Phase 2) Side Walks Infrastructure	R 3 572 061,46	R 2 504 686,02	R 2 504 686,02	R 1 067 375	Nil			POOR
PWBS-B037/22/23	NDABASE GROUP (PTY)LTD	26/01/2023	Construction Of Bulwer Town Upgrade (Phase 2) Informal Trading	R 4 965 093,38	R 2 629 718,67	R 2 629 718,67	R 2 335 374	Nil			POOR
COMM-B050/22/23	NTSHENGULA TRADING ENTERPRISE	23/01/2023	Supply And Delivery Of Gift Vouchers For Back-To-School Uniform For Period Of Year Contract	It Is Based On The Approved Rate For R550 Each Voucher	R 67 650,00	R 67 650,00	R 82 698,00	R 82 698,00	GOOD		

Bid Number	Name of external Service Provider	Date Contract Awarded	Service provided in terms of the SLA	Value of project	Comparison with previous year 2022/2023		Current Financial Year 2023/2024		Assessment of Service Providers Performance		
					Target	Actual	Target	Actual	GOOD	SATISFACTORY	POOR
MM-B013/22/23	BLUE CYCLE TRADING SERVICES	13/02/2023	Development Of Municipal Business Continuity Plan (BCP)	R 1 230 500,00	R 483 000,00	R 483 000,00	R 460 000	R 460 000,00	GOOD		
PWBS-B031/22/23	UKWAZI HOME DEVELOPMENT PROJECTS	13/02/2024	Panel Of Service Providers For Hire Of Construction Plant To Service The Municipality	It Is Based On The Approved Rate Of R 49 616,75 Including All Items	R 201 825,00	R 201 825,00	R 2 144 065	R 2 144 065,00	GOOD		
PWBS-B031/22/23	CONAN CONSTRUCTION CC	13/02/2024	Panel Of Service Providers For Hire Of Construction Plant To Service The Municipality	It Is Based On The Approved Rate Of R 100 659,50 Including All Items	R 2 718 082,50	R 2 718 082,50	R 5 163 241	R 5 163 241,25	GOOD		
PWBS-B031/22/23	NGQIKA TRADING	13/02/2023	Panel Of Service Providers For Hire Of Construction Plant To Service The Municipality	It Is Based On The Approved Rate Of R 65 653,50 Including All Items	R 490 130,00	R 490 130,00	R654 572,64	R 654 572,64	GOOD		

Bid Number	Name of external Service Provider	Date Contract Awarded	Service provided in terms of the SLA	Value of project	Comparison with previous year 2022/2023		Current Financial Year 2023/2024		Assessment of Service Providers Performance		
					Target	Actual	Target	Actual	GOOD	SATISFACTORY	POOR
									GOOD		
PWBS-B031/22/23	MBOVA CONSTRUCTION	13/02/2023	Panel Of Service Providers For Hire Of Construction Plant To Service The Municipality	It Is Based On The Approved Rate Of R 95 243,00 Including All Items	Nil	Nil	R1 960 699	R1 960 699,40	GOOD		
PWBS-B031/22/23	AQUA TRANSPORT & PLANT HIRE PTY LTD	13/02/2023	Panel Of Service Providers For Hire Of Construction Plant To Service The Municipality	It Is Based On The Approved Rate Of R 126 894,45 Including All Items	Nil	Nil	R372 205	R372 205,21	GOOD		
PWBS-B025/22/23	UKWAZI HOME DEVELOPMENT PROJECTS CC	14/02/2023	Creighton Sports Centre(Phase2) Construction Of Artificial Turf Grass	R 15 369 393,30	R 7 423 434,00	R 7 423 434,00	R7 945 959	R 7 945 959,30	GOOD		
CORP-B046/22/23	MOBILE TELEPHONE NETWORK	16/02/2023	Provision Of Internet Service For A Period Of 3 Years.	R 2 099 455,40	R296 444,14	R296 444,14	R 879 671,97	R 879 671,97	GOOD		

Bid Number	Name of external Service Provider	Date Contract Awarded	Service provided in terms of the SLA	Value of project	Comparison with previous year 2022/2023		Current Financial Year 2023/2024		Assessment of Service Providers Performance		
					Target	Actual	Target	Actual	GOOD	SATISFACTORY	POOR
PWBS-B029/22/23	CELSIUS FAHRENHEIT ENGINEERING PTY LTD	14/02/2023	Construction Of Mafohla Community Hall	R 5 481 584,41	R 1 611 135,01	R 1 611 135,01	R 3 870 449	R 1 951 099.71			POOR
BTO-B014/22/23	PETAL OFFICE TRADING	01/03/2023	Provision Of Vehicle Branding	It Is Based On The Approved Rate Of R39 500,00 For Different Vehicles	R 65 550,00	R 65 550,00	R420 325,00	R 420 325,00	GOOD		
CORP-B042/22/23	EMAKOZENI TRADING ENTERPRISE CC T/A HARVEY WORLD TRAVEL	01/03/2023	Provision Of Travel Agent Services	It Is Based On The Approved Rate Of R415 Including All Items	R 1 483 439,28	R 1 483 439,28	R4 546 533 .8	R 4 546 533,83	GOOD		
PWBS-B033/22/23	KHULANGWAN E TRADING PTY LTD	15 /03/2023	Panel Of Service Providers To Supply And Delivery Of PWBS Protective Clothing	It Is Based On The Approved Rate Of R2 616,92 Including All Items	R 253 958,21	R 253 958,21	R242 743,43	R 242 743,43	GOOD		

Bid Number	Name of external Service Provider	Date Contract Awarded	Service provided in terms of the SLA	Value of project	Comparison with previous year 2022/2023		Current Financial Year 2023/2024		Assessment of Service Providers Performance		
					Target	Actual	Target	Actual	GOOD	SATISFACTORY	POOR
PWBS-B052/22/23	PHOHLOPHOLO TRADING ENTERPRISE	08/05/2023	Construction Of Creighton Storage/ Archives	R 6 547 146,20	R 1 276 787,08	R 1 276 787,08	R5 270 359	R 5 270 359,80	GOOD		
PWBS-B044/22/23	UKWAZI HOME DEVELOPMENT PROJECT CC	08/05/2023	Construction Of Underberg Town Upgrade Phase 2	R 3 259 050,90	R 743 900,96	R 743 900,96	R2 189 134	R 2 189 134,08	GOOD		
PWBS-B026/22/23	EGXENI ENGINEERING CC T/A UMPISI CONSTRUCTION AND PLANT HIRE	01/06/2023	Construction Of Himeville Asphalt Surfacing Roads Phase 3	R 8 400 000,00	R 2 402 759,43	R 2 402 759,43	R5 146 110	R5 146 110,96	GOOD		
PWBS-B063/23/24	SIPHO GLAD CONSTRUCTION AND GENERAL TRADING	01/08/2023	Construction Of Bulwer Asphalt Surfacing Road Phase 8 (Section 2) Ntokozweni Road	R 5 025 941,37	N/A	N/A	R 3 984 959,28	R 3 984 959,28	GOOD		

Bid Number	Name of external Service Provider	Date Contract Awarded	Service provided in terms of the SLA	Value of project	Comparison with previous year 2022/2023		Current Financial Year 2023/2024		Assessment of Service Providers Performance		
					Target	Actual	Target	Actual	GOOD	SATISFACTORY	POOR
PWBS-B066/22/23	UKWAZI HOME DEVELOPMENT PROJECT CC	01/08/2023	Construction Of Lwazi Crèche'	R 2 448 858,53	N/A	N/A	R 2 181 821,35	R 2 181 821,35	GOOD		
PWBS-B067/22/23	UKWAZI HOME DEVELOPMENT PROJECT CC	01/08/2023	Construction Of Gala Crèche	R 2 628 387,73	N/A	N/A	R 2 350 264,53	R 2 350 264,53	GOOD		
PWBS-B068/22/23	UKWAZI HOME DEVELOPMENT PROJECT CC	01/08/2023	Construction Of Sizamokuhle Crèche	R 2 735 961,12	N/A	N/A	R 2 392 564,18	R 2 392 564,18	GOOD		
CORP-B058/22/23	NATED SYSTEM (PTY) LTD	18/08/2023	Supply, Installation And Configuration Of Electronic Documents And Records Management System (EDMS)	R 980 260,00	N/A	N/A	R 154 560,00	R 154 560,00	GOOD		

Bid Number	Name of external Service Provider	Date Contract Awarded	Service provided in terms of the SLA	Value of project	Comparison with previous year 2022/2023		Current Financial Year 2023/2024		Assessment of Service Providers Performance		
					Target	Actual	Target	Actual	GOOD	SATISFACTORY	POOR
CORP-B09/23/24	BLUECLOUD IT SOLUTIONS	25/08/2023	Supply And Delivery Of Adobe Acrobat BC Pro Volume Licence	R 1 143 527,98	N/A	N/A	R 352,39	R 438 352,39	GOOD		
PWBS-B065/22/23	UKWAZI HOME DEVELOPMENT PROJECT CC	13/09/2023	Construction Of Mnywaneni/Masameni Community Hall	R 4 959 091,41	N/A	N/A	R 810,11	R 4 106 810,11	GOOD		
PWBS-B006/23/24	NDU B TRADING ENTERPRISE	15/09/2023	Renovations Of Mkhazeni Community Hall	R 328 900,00	N/A	N/A	R 900,00	R 328 900,00	GOOD		
PWBS-B004/23/24	NTU STONE	15/09/2023	Renovation Of Nkumba Community Hall	R 356 224,00	N/A	N/A	R 409,03	R 338 409,03	GOOD		
PWBS-B003/23/24	TYCOON HOLDINGS TOWING AND RECOVERY	18/09/2023	Renovation Of Woodhurst Sportfield	R 460 000,00	N/A	N/A	R 000,00	R 437 000,00	GOOD		

Bid Number	Name of external Service Provider	Date Contract Awarded	Service provided in terms of the SLA	Value of project	Comparison with previous year 2022/2023		Current Financial Year 2023/2024		Assessment of Service Providers Performance		
					Target	Actual	Target	Actual	GOOD	SATISFACTORY	POOR
PWBS-B008/23/24	TYCOON HOLDINGS TOWING AND RECOVERY	18/09/2023	Supply And Delivery Of Skip Bins	R 435 000,00	N/A	N/A	R 435 000,00	R 435 000,00	GOOD		
PWBS-B057/22/23	ENVIROSERVE WASTE MANAGEMENT (PTY)LTD	16/10/2023	Removal Of Waste From Himeville Transfer Station	It Is Base On The Approved Rate Of R37 504,62 For Rental And Transportation	N/A	N/A	R 1 529,81	R 1 529,81	GOOD		
PWBS-B007/23/24	BUHLEBEZWE TRADING (PTY) LTD	31/10/2023	Renovation Of Kilmun Sportfield	R 452 595,00	N/A	N/A	R 452 595,00	R 452 595,00	GOOD		

Bid Number	Name of external Service Provider	Date Contract Awarded	Service provided in terms of the SLA	Value of project	Comparison with previous year 2022/2023		Current Financial Year 2023/2024		Assessment of Service Providers Performance		
					Target	Actual	Target	Actual	GOOD	SATISFACTORY	POOR
COMM-B001/23/24	MATHUTHA TRADING ENTERPRISE (PTY) LTD	06/11/2023	Supply And Delivery Of Emergency Centre And Park-home Furniture	R 1 809 985,00	N/A	N/A	R 1 148 125,50	R 1 148 125,50	GOOD		
PWBW-B005/23/24	TYCOON HOLDINGS TOWING AND RECOVERY	13/11/2023	Renovation Of Mpumlwane Sportfield	R 460 000,00	N/A	N/A	R 437 000,00	R 437 000,00	GOOD		
COMM-B010/23/24	IZWELONKE ELECTRICAL	21/11/2023	Supply And Delivery Of Fire-Fighters Physical Fitness Equipment	R 735 700,00	N/A	N/A	R 735 700,00	R 735 700,00	GOOD		
PWBS-B028/23/24	KFC ENGINEERS & INDUSTRIAL SUPPLIES	05/12/2023	Supply And Delivery Of Concrete Storm Water Pipes.	R 378 637,50	N/A	N/A	R 378 637,50	R 378 637,50	GOOD		

Bid Number	Name of external Service Provider	Date Contract Awarded	Service provided in terms of the SLA	Value of project	Comparison with previous year 2022/2023		Current Financial Year 2023/2024		Assessment of Service Providers Performance		
					Target	Actual	Target	Actual	GOOD	SATISFACTORY	POOR
PWBS-B027/23/24	MASAKHESONKE TRADING	11/12/2023	Construction Of Underberg And Himeville Cemetery Paving	R 387 728,00	N/A	N/A	R 387 781,60	R 387 781,60	GOOD		
PWBS-B002/23/24	MATHUTHA TRADING ENTERPRISE (PTY) LTD	05/12/2023	Renovation Of KwaPitela Sportfield	R 503 445,39	N/A	N/A	R 274 755,41	R 274 755,41	GOOD		
PWBS-B018/23/24	LANREC (PTY) LTD	05/12/2023	Renovation Of Creighton Pound	R 196 900,00	N/A	N/A	R 187 055,00	R 187 055,00	GOOD		

Bid Number	Name of external Service Provider	Date Contract Awarded	Service provided in terms of the SLA	Value of project	Comparison with previous year 2022/2023		Current Financial Year 2023/2024		Assessment of Service Providers Performance		
					Target	Actual	Target	Actual	GOOD	SATISFACTORY	POOR
PWBS-B017/23/24	DLAKADLA TRADING AND PROJECT (PTY) LTD	05/12/2023	Renovation Of Creighton Flats	R 222 167,00	N/A	N/A	R 204 352,03	R 204 352,03	GOOD		
CORP-B062/22/23	MHLONGO TRANSCOIN SECURITY SERVICES PTY LTD	03/01/2024	Provision Of Security Services And VIp Protection For A Period Of 36 Months	R 58 835 265,00	N/A	N/A	R 10 417 562,60	R 10 417 562,60	GOOD		
PWBS-B029/23/24	SGQIKI TRADING	24/01/2024	Supply And Delivery Of 8 Bus Shelter	R 240 000,00	N/A	N/A	R 240 000,00	R 240 000,00	GOOD		
PWBS-B019/23/24	ZIZIYANE CONSTRUCTION	01/02/2024	Renovation And Maintenance Of Underberg Library	R 229 305,35	N/A	N/A	R 102 874,17	R 102 874,17	GOOD		

Bid Number	Name of external Service Provider	Date Contract Awarded	Service provided in terms of the SLA	Value of project	Comparison with previous year 2022/2023		Current Financial Year 2023/2024		Assessment of Service Providers Performance		
					Target	Actual	Target	Actual	GOOD	SATISFACTORY	POOR
PWBS-B020/23/24	PUFF EMERGENCY SERVICES	01/06/2024	Concrete Surfacing Of Underberg Road Phase 4 - Riverview Access Road	R 3 572 570,10	N/A	N/A	R 114 879,87	R 114 879,87	GOOD		
PWBS-B023/23/24	MALEH DEVELOPMENT AND CONSTRUCTION CC	07/03/2024	Concrete Surfacing Of Tarsvalley Access Road	R 2 641 860,00	N/A	N/A	R 296 635,31	R 296 635,31	GOOD		
PWBS-B024/23/24	MALEH DEVELOPMENT AND CONSTRUCTION CC	07/03/2024	Concrete Surfacing Of Mandawe Access Road	R 2 558 760,00	N/A	N/A	R 278 910,81	R 278 910,81	GOOD		
PWBS-B022/23/25	MALEH DEVELOPMENT AND CONSTRUCTION CC	07/03/2024	Concrete Surfacing Of Mqatsheni Access Road	R 3 480 720,00	N/A	N/A	R -	R -			

Bid Number	Name of external Service Provider	Date Contract Awarded	Service provided in terms of the SLA	Value of project	Comparison with previous year 2022/2023		Current Financial Year 2023/2024		Assessment of Service Providers Performance		
					Target	Actual	Target	Actual	GOOD	SATISFACTORY	POOR
PWBS-B042/23/24	NDUNA ORGANISATION	19/03/2024	Supply, Delivery And Installation Of Prefabricated Toilet At Donnybrook	R 337 920,00	N/A	N/A	R 337 920,00	R 248 425,00	GOOD		
PWBS-B031/23/24	NDUNA ORGANISATION	19/03/2024	Renovation Of Bulwer Community Services Centre	R 152 559,56	N/A	N/A	R 152 559,56	R 43 281,58	GOOD		
CORP-B040/23/24	MANTK IT SOLUTION (PTY) LTD	01/04/2024	supply, Implement, Configure And Support ICT Services Management/ Helpdesk System	R 567 213,35	N/A	N/A	R -	R -			

Bid Number	Name of external Service Provider	Date Contract Awarded	Service provided in terms of the SLA	Value of project	Comparison with previous year 2022/2023		Current Financial Year 2023/2024		Assessment of Service Providers Performance		
					Target	Actual	Target	Actual	GOOD	SATISFACTORY	POOR
CORP-B039/23/24	MANTK IT SOLUTION (PTY) LTD	01/04/2024	Provision Of Ict Off-Site Backup And Disaster Recovery Services (Business Continuity) And Support	R 1 837 252,08	N/A	N/A	R 501 660,48	R 501 660,48	GOOD		
PWBS-B038/23/24	TUNUNU TRADING J	11/04/2024	Maintenance And New Installation Of Air Conditioners	It Is Based On The Approved Rate Of R857,00 Including All Items	N/A	N/A	R 363 163,92	R 363 163,92	GOOD		
PWBS-B036/23/24	SIYADUDULA CONSTRUCTION	24/04/2024	Supply And Delivery Of A Fully Fledged Tyre Fitment Container	R 398 400,00	N/A	N/A	R 398 400,00	R 398 400,00	GOOD		
PWBS-B041/23/24	SIYADUDULA CONSTRUCTION	15/05/2024	Maintenance Of Creighton Main Office Driveway	R 434 159,00	N/A	N/A	R 434 159,00	R 434 159,00	GOOD		

Bid Number	Name of external Service Provider	Date Contract Awarded	Service provided in terms of the SLA	Value of project	Comparison with previous year 2022/2023		Current Financial Year 2023/2024		Assessment of Service Providers Performance		
					Target	Actual	Target	Actual	GOOD	SATISFACTORY	POOR
PWBS-B045/23/24	BG MAZONGOLO CONSTRUCTION	15/05/2024	Centocow Taxi Rank Phase 3	R 2 481 055,43	N/A	N/A	R 902 000,00	R 902 000,00	GOOD		
COMM-B032/23/24	MATHUTHA TRADING ENTERPRISE (PTY) LTD	07/06/2024	Supply And Delivery Of 8 Laptops And Computer Accessories For Community Services Libraries	R 277 380,00	N/A	N/A	R 277 380,00	R 277 380,00	GOOD		
BTO-B056/23/24	SAWUTI TRADING AND PROJECT (PTY) LTD	12/06/2024	Supply And Delivery Of 14 Laptops And 10 Backpacks (Laptop Bags)	R 390 400,00	N/A	N/A	R 390 400,00	R 390 400,00	GOOD		

Bid Number	Name of external Service Provider	Date Contract Awarded	Service provided in terms of the SLA	Value of project	Comparison with previous year 2022/2023		Current Financial Year 2023/2024		Assessment of Service Providers Performance		
					Target	Actual	Target	Actual	GOOD	SATISFACTORY	POOR
COMM-B035/23/24	NDLELEZINHLE TRADING	03/06/2024	Supply And Delivery Of Science Kits	It Is Based On The Approved Rate Of R50 000 Per Kit	N/A	N/A	R 150 000,00	R 150 000,00	GOOD		
COMM-B021/23/24	SAWUTI TRADING AND PROJECT (PTY) LTD	22/01/2024	Panel Of Service Providers For Construction Of Oss Houses	It Is Based On The Approved Rate Of R158 000,00	N/A	N/A	R 118 868,75	R 118 868,75	GOOD		
COMM-B021/23/24	NDU B TRADING ENTERPRISE	22/01/2024	Panel Of Service Providers For Construction Of Oss Houses	It Is Based On The Approved Rate Of R200 000,00	N/A	N/A	R 142 500,00	R 142 500,00	GOOD		
COMM-B021/23/24	MATHUTHA TRADING ENTERPRISE (PTY) LTD	22/01/2024	Panel Of Service Providers For Construction Of Oss Houses	It Is Based On The Approved Rate Of R164 954,74	N/A	N/A	R 158 751,00	R 158 751,00	GOOD		

Table 89

Chapter 4

4.1 ORGANISATIONAL DEVELOPMENT PERFORMANCE

Corporate Support Services Department is responsible for the implementation of this chapter within the organisation.

CORPORATE SUPPORT SERVICES DEPARTMENT: NKPA: MUNICIPAL INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION

4.1.2 GRAPHICAL PRESENTATION OF THE DEPARTMENT'S PERFORMANCE IN 2023/2024 AS COMPARED TO 2022/2023

CATEGORY	2022/2023	2022/2023
No. of targets	16	07
Targets Achieved	16	07
Targets not achieved	0	0
% of targets not achieved	0%	0%
% of targets achieved	100%	100%

Table 90

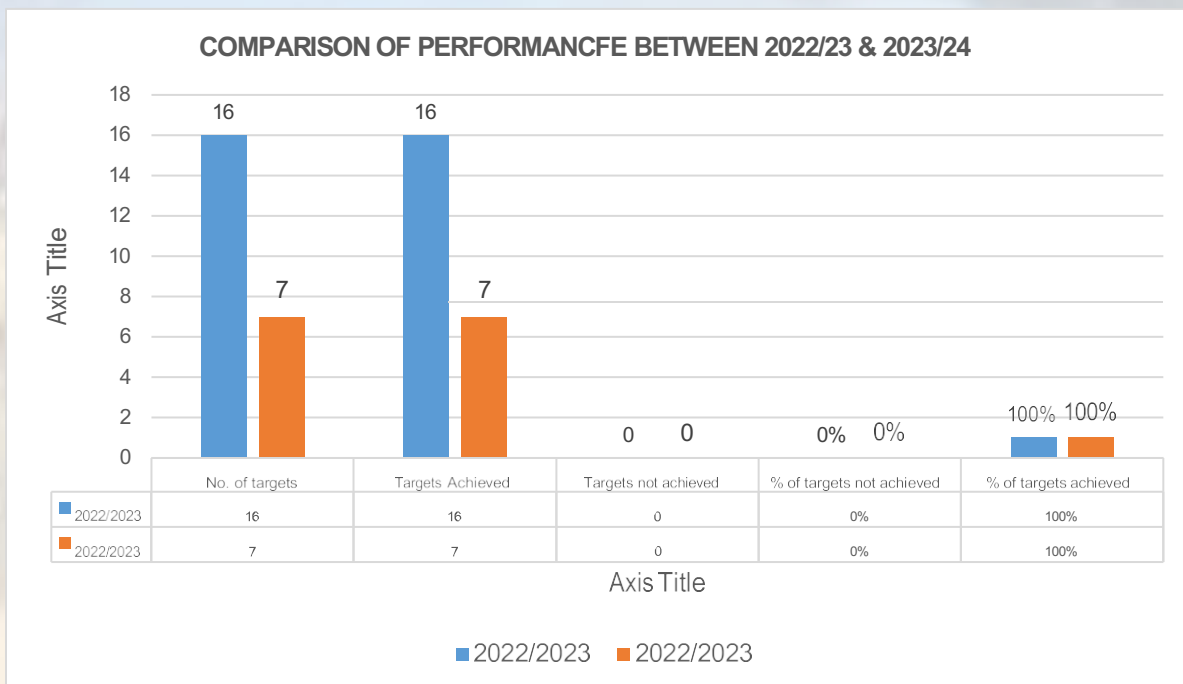


Fig 17

The overall score for the KPA is 100% for 2023/2024: **KEY ACHIEVEMENTS**

HIGHLIGHT	DESCRIPTION	
Performance Targets	The Department has achieved all its targets for the 2023/24 financial year.	
Filling of critical positions	<p>Critical positions were filled in the financial year 2023/2024 within 3 months as per policy</p> <ul style="list-style-type: none"> • Senior Manager: PWBS • Senior Manager: Community Services 	
Annual organogram review 2023/2024	The organogram was reviewed and approved by the Council in terms of the legislation.	
HR Policies	31 Municipal policies were workshopped to staff and Councillors and thereafter approved by the Council on 21 May 2024 for implementation in the following financial year.	
Work Place Skills Plan/ATR	<p>The Workplace Skills Plan was submitted to LGSETA on 28 April 2024.</p> <p>Adhering to the deadline for the WSP/ATR submission permits the Municipality to receive mandatory grants contributing to the Revenue Enhancement</p>	
Training Municipal Staff	Target 5	Overachieved 20
Training for Councillors	Target 2	Overachieved 6
Employment Equity Report	The Employment Equity Plan has been approved and submitted to DOEL and the report was submitted on 08 January 2024. All stakeholders signed off on the report.	
Awarding of Internal bursaries	A total number of 8 bursaries were approved for internal staff.	
Awarding of External bursaries	The top 3 were awarded full bursaries and 7 Matriculates received R10 000 assistance towards registration or procuring of school essentials.	

HIGHLIGHT	DESCRIPTION
Training Opportunities	Various employees were trained and workshopped during the year 2023/2024

Table 91



COMPONENT A

4.2 INTRODUCTION TO THE MUNICIPAL WORKFORCE (TOTAL EMPLOYMENT, INCLUDING STAFF TURNOVER)

Introduction to Municipal Workforce

The municipality has Heads of departments who report directly to the Municipal Manager and line managers who manage staff performance. Officers are the direct supervisors of junior-level employees. Most posts are now filled and that brings stability to the municipality thus improving service delivery. The Municipality currently employs 233 officials, who individually and collectively contribute to the achievement of the Municipality's objectives. The primary objective of Human Resource Management is to render an innovative HR service that addresses both skills development and an administrative function. Staff meetings are held as a means of reporting and information sharing to identify and address possible challenges that may affect the functioning of staff.

National Key Performance Indicators

The municipality developed an Employment Equity Plan which was effective from October 2022- September 2027. This plan seeks to ensure representations of previously disadvantaged individuals at all municipal levels in line with the requirements of the Employment Equity Act of 1998. Currently, we have 6 employees who are disabled. The minimum prescribed norm is 2%. It is also noted that the municipality has slightly improved in terms of women's representation at the Management level as we now have 5 female Managers and 2 female HOD.

The Table below indicates the municipality's performance in terms of the National Key Performance Indicators required in terms of the Local Government: Municipal Planning and the Performance Management Regulations of 2001 and section 43 of the MSA. These KPIs are linked to the KPA – Municipal Transformation and Organisational Development.

Employment Equity target groups

KPA & INDICATORS	MUNICIPAL ACHIEVEMENT	MUNICIPAL ACHIEVEMENT
	2023/2024	2022/2023
The number of people from employment equity target groups employed in the three highest levels of management in compliance with the Municipality's approved Employment Equity Plan	7	6

Table 92

Total workforce/posts and employees with disabilities

Total workforce/posts and employees with disabilities by race and gender for the 2023/24 financial year

TARGET GROUP RACE & GENDER	LEVEL OF REPRESENTATION	PERCENTAGE OF WORKFORCE (%)	LEVEL OF REPRESENTATION DISABILITY
African female	105	45,06%	1
African male	124	53,21%	3
Coloured female	1	0,42%	0
Coloured male	1	0,42%	0
Indian female	0	0	0
Indian male	0	0	0
White female	2	0,85%	2
White male	0	0	0
TOTAL	233	100%	6

Table 93

Employment Equity targets/actual

Graphical presentation of Employment Equity targets/actual 2023/2024 FY

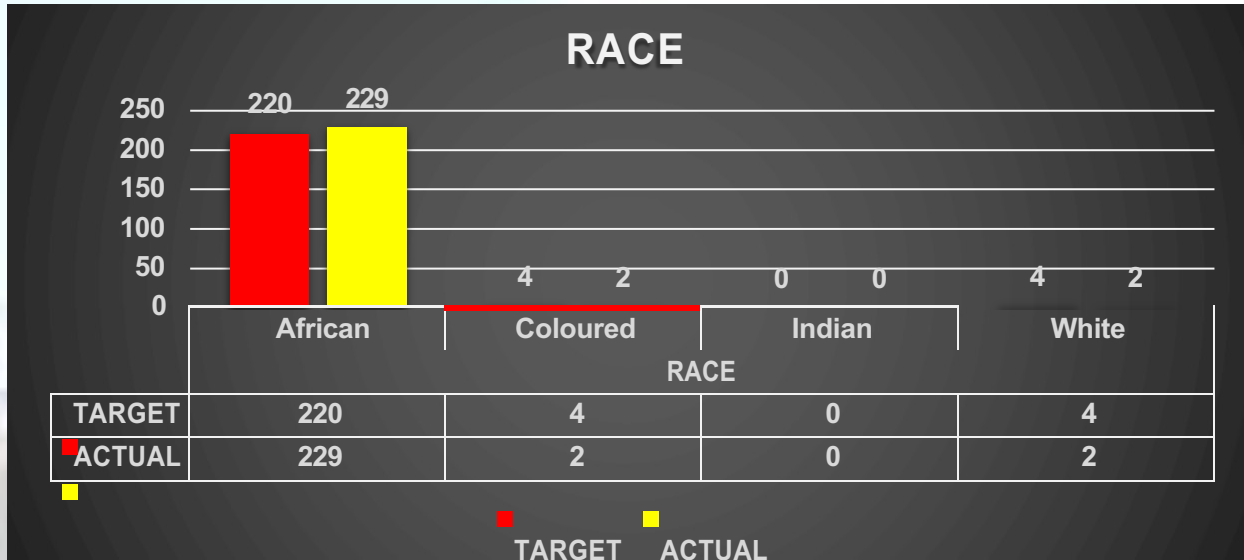


Fig 18

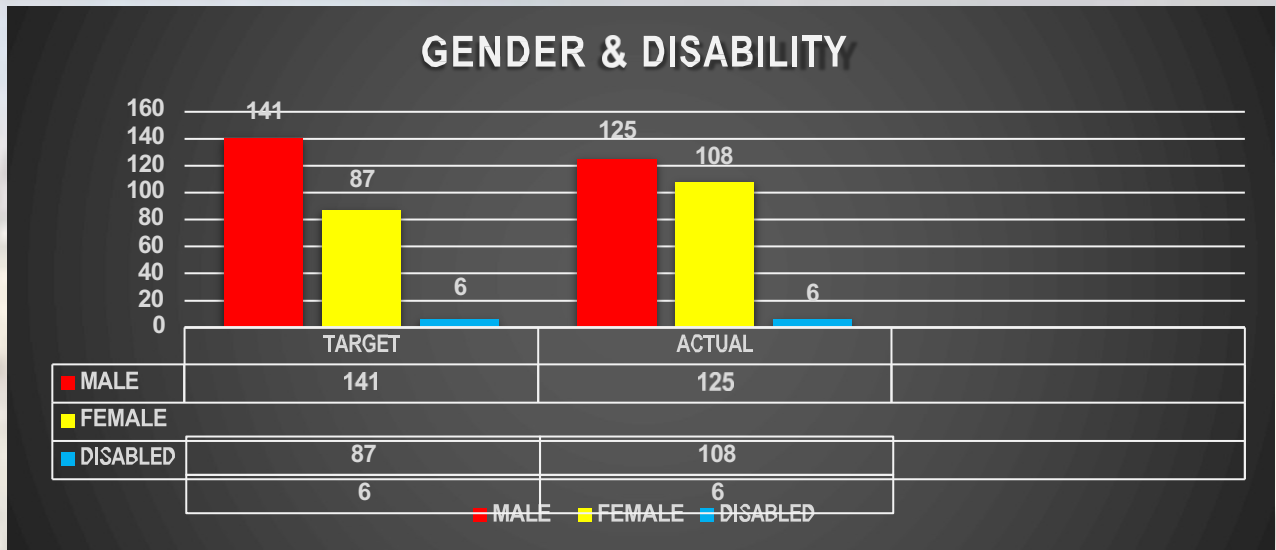


Fig 19

Employment Equity for top management (Sections 56 and 54)

Employment Equity for top management (Sections 56 and 54) by Race and Gender for the 2023/2024 financial year

TARGET GROUP RACE & GENDER	LEVEL OF REPRESENTATION REQUIRED WORKFORCE	PERCENTAGE OF WORKFORCE (%)
African female	2	33%
African male	4	67%
Coloured female	0	0%
Coloured male	0	0%
Indian female	0	0%
Indian male	0	0%
White female	0	0%
White male	0	0%
TOTAL	6	100%

Table 94

Vacancy Rate

The actual positions filled are indicated by the functional level below

Number of filled posts per functional level

PER FUNCTIONAL LEVEL		
FUNCTIONAL LEVEL	FILLED	VACANT
Municipal Manager's Office	14	00
Corporate Support Services	38	02
Community and Social Services	59	02
Budget & Treasury Office	28	05
Public Works & Basic Services	80	06
Development & Town Planning Department	14	00
TOTAL	233	15

Table 95

4.3 Managing Municipal Workforce

32 HR policies and 1 HR Strategy were approved during the 2023/24 financial year

No.	POLICIES	APPROVAL DATE
1.	Acting Allowance Policy	21 st May 2023
2.	Attractive and Retention Policy	21 st May 2023
3.	Bereavement Policy	21 st May 2023
4.	Code of Conduct for Municipal Staff Employees Policy	21 st May 2023
5.	Disciplinary Policy	21 st May 2023
6.	Dress Code Policy	21 st May 2023
7.	Employment Equity Policy	21 st May 2023
8.	Employment Equity Policy Guidelines	21 st May 2023
9.	HIV/Aids Policy	21 st May 2023
10.	Housing Policy	21 st May 2023
11.	Overtime and Standby Policy	21 st May 2023
12.	Employee Induction and Exit Management Policy	21 st May 2023
13.	Payment of Long Service award Policy	21 st May 2023
14.	Leave Management Policy	21 st May 2023
15.	Occupational Health and Safety Policy	21 st May 2023
16.	Succession Planning and Career Pathing Policy	21 st May 2023
17.	Termination of Service Policy	21 st May 2023
18.	Recruitment and Selection Policy	21 st May 2023
19.	Organisational Change Management and control Policy	21 st May 2023
20.	Training and Development Policy	21 st May 2023
21.	Telephone Policy	21 st May 2023
22.	Study Assistance Policy	21 st May 2023
23.	Internship/In-service and Learnership Policy	21 st May 2023

No.	POLICIES	APPROVAL DATE
24.	IPMS Policy	21 st May 2023
25.	Bursary Policy	21 st May 2023
26.	EAP Policy	21 st May 2023
27.	Task Job Evaluation Policy	21 st May 2023
28.	Smoking Policy	21 st May 2023
29.	Talent Management Policy	21 st May 2023
30.	Occupational Health and Safety Covid -19 Policy	21 st May 2023
31.	Travel & Subsistence Policy	21 st May 2023
32.	Substance Abuse Policy	21 st May 2023
33.	HR Strategy	21 st May 2023
34.	Individual Performance Management Policy	21 st May 2023

Table 96

4.4 LEAVE MANAGEMENT

Dr. NDZ uses the SAMRAS system to manage to leave within the municipality, on top of that we have taken the initiative to develop a Leave Management Spreadsheet which is a manual capturing system to back up SAMRAS for quality assurance, here are the leaves taken for the year 2023/24

LEAVE TYPE	NUMBER OF DAYS TAKEN
Annual Leave	1 202
Sick Leave	842
Family Responsibility Leave	165
Study Leave	97
Maternity Leave	63
Annual Forfeited	136

Table 97

It should be noted that Dr NDZ has a leave Policy that is reviewed annually, and any deviation from the policy is taken as a transgression of the approved Council Policy.

LABOUR RELATIONS STATISTICS

The table below indicates the labour relations activities throughout the 2023/2024 financial year:

CASE	NO	STATUS
Terminations	3	Resolved
Counselling Sessions	None	None
Disputes	01	SALGBC
Grievances	01	Resolved
Suspensions	02	

Table 98

TABLE BELOW DEPICT MUNICIPAL STAFFS CASES

CASE	NO	STATUS
Abscondment	1	Finalized
Reckless Driving-Traffic Officer Intern	1	Finalized
Insubordination	1	Finalized
Under The Influence Of Alcohol	2	Finalized
Assault	1	Finalized
Absent Without Authorization	1	Finalized
Absent Without Authorization	2	In Progress
Negligence	1	In Progress
Theft	1	In Progress

Table 99

TABLE BELOW DEPICT EPWPs CASES

CASE	NO	STATUS
Abscondment	2	Finalized
Under The Influence Of Alcohol	1	Finalized
Absent Without Authorization	2	Finalized
Under The Influence Of Alcohol	1	Finalized

Table 100

4.5 CAPACITATE MUNICIPAL WORKFORCE

Various trainings were attended by staff members to enhance their skills. All these trainings are done in line with our Work skills plan which outlines areas that employees should be trained on.

The municipality also offers a study bursary to its employees to enroll for formal courses relating to their field of work. It is in our policy requirements that should an employee fail his/her studies, bursary funds paid on behalf of the employee will be recovered from such employee.

SKILLS DEVELOPMENT AND TRAINING

In accordance with the National Treasury: Local Government: Municipal Finance Management Act, Act 53 of 2003, Competency Regulations, progress in Dr. Nkosazana Dlamini Zuma Local Municipality's financial competency development is as follows.

MFMA COMPLIANCE WITH MINIMUM COMPETENCY REGULATIONS

Progress report on financial competency development

DESCRIPTION	TOTAL NUMBER OF OFFICIALS EMPLOYED BY Dr. NKOSAZANA DLAMNIN ZUMA LM	TOTAL NUMBER OF OFFICIALS WHOSE COMPETENCY ASSESSMENTS HAVE BEEN COMPLETED	TOTAL NUMBER OF OFFICIALS WHO MEET PRESCRIBED COMPETENCY LEVEL	TOTAL NUMBER OF OFFICIALS WHOSE PERFORMANCE AGREEMENTS COMPLY WITH REGULATION 16
Financial Officials				
Accounting Officer	1	1	1	1
Chief Financial Officer	1	1	1	1

Senior Managers	4	3	3	3
Other Officials	17	16	16	—
Supply Chain Management Officials				
Supply Chain Manager	1	1	1	—
Other Officials	9	9	9	—
TOTAL	33	31	31	5

Table 101

Qualification profile for leadership, governance, and managers for the 2023/24 financial year

Skills profile of employees for 2023/24 financial year

The municipality provides employees with an opportunity to further their formal studies through a study bursary scheme. This initiative motivates employees to further their studies within their respective vocations to enable them to perform their duties better and is a strategy to link the personal development of staff to ensure a sustainable, well-developed, and professionally qualified workforce.

DR NKOSAZANA DLAMINI ZUMA LOCAL MUNICIPALITY									
Occupational Category (OFO)	Highest Qualification (Type)								Total
	General Education (Grade 1-9 / Std 0-7)	Further Education (Grade 10-11 / Std 8-9)	Matric (Grade 12 / Std 10)	National Certificate	National Diploma	Degree	Honours	Masters	
Managers	0	0	0	0	5	12	1	2	20
	0%	0%	0%	0%	25%	60%	5%	10%	100%
Professionals	0	0	2	3	12	15	5	3	40
	0%	0%	5%	8%	30%	37%	12%	8%	100%
Technicians and Trades Workers	0	0	0	0	6	1	1	1	9
	0%	0%	0%	0%	67%	11%	11%	11%	100%
Community and Personal Service Workers	0	0	0	6	10	0	0	0	16
	0%	0%	0%	37%	63%	0%	0%	0%	100%
Clerical and Administrative Workers	0	0	7	8	27	16	1	1	60
	0%	0%	11%	13%	45%	27%	2%	2%	100%

Machinery Operators and Drivers	5	8	6	1	0	0	0	0	20
	25%	40%	30%	5%	0%	0%	0%	0%	100%
Elementary Workers	21	23	22	1	1	0	0	0	68
	31%	34%	32%	1%	1%	0%	0%	0%	100%
Total	26	31	37	19	61	44	8	7	233
	12%	13%	16%	8%	26%	19%	3%	3%	100%

Table 102

SKILLS DEVELOPMENT AND TRAINING

Section 68 of the MSA requires municipalities to develop their human resource capacity to a level that enables them to perform their functions and exercise their powers in an economical, effective, efficient, and accountable way. Dr. Nkosazana Dlamini Zuma Local Municipality develops its workforce by facilitating skills programs aimed at capacitating employees. The Skills Development Approach is aimed at providing development support to employees and coordinating such development through structured learning. Capacity Development is linked to the annual Workplace Skills Plan (WSP). Dr. Nkosazana Dlamini Zuma Local Municipality annually submits a Workplace Skills Plan (WSP) and an Annual Training Report (ATR) as required by the Skills Development Act, to the Local Government Sector Education and Training Authority (LGSETA). A total number of 20 training programs were conducted for municipal staff and 6 for Councillors for the reporting financial period.

TRAINING PROGRAMMES CONDUCTED FOR 2023/2024

Training description	How training was rolled out	Beneficiary type	Total Number of Beneficiaries	Date of Completion	Expenditure
Registry Management Training	Department of Arts & Culture	Officials	4	3 days	None
Occupational health and safety	INKazimulo Trading	Officials	17	5 days	R148 000
Supervisory Training	Alute Trading	Officials	5	5 days	R 34 000
First Aid Training	Alute Trading	Officials	25	5 days	R 53 000
OHS Training	SALGA	Officials	7	3 days	None
Coaching and leadership training	NSG	Officials	19	5 days	None
National Municipal Legal Practitioners Forum	SALGA	Officials	2	1 days	None
Digital Forum	SALGA	Officials	2	2 days	None
Local Government COIDA Compliance Seminar	SALGA	Officials	2	1 days	None
Municipal Staff Regulations	COGTA	Councillors	2	1 day	None

Training description	How training was rolled out	Beneficiary type	Total Number of Beneficiaries	Date of Completion	Expenditure
Environmental health training for women	COGTA	Councillors	8	1 day	None
Women Empowerment Workshop	In-house	Officials & Councillors	85	1 day	None
Waste & Environmental Management Workshop	SALGA	Councillor & Officials	8	2 day	None
File Plan Workshop	In-house	Officials	29	01 day	None
Human Resource Practitioner Workshop	SALGA	Officials	02	1 day	None
ICT and OHS Policies	In-house	Officials	61	1 day	None
Avoiding Irregular Unauthorised and wasteful expenditure	NSG	Officials	04	4 days	None
Labour relations symposium	SALGA	Officials	1	1 day	None
Municipal Leaders Media and Stakeholder Engagement Programme	SALGA	Officials	3	3 days	None
Skills Development Facilitators Forum	LGSETA	Officials	1	3 days	None

Training description	How training was rolled out	Beneficiary type	Total Number of Beneficiaries	Date of Completion	Expenditure
Annual Local Government Labour Law Seminar	SALGA	Officials	2	2 days	None
Women in leadership training	SALGA	Councillors	2	5 days	None
Municipal Governance Training	SALGA	Councillors	2	5 days	None
Supply Chain Management Training	NSG	Officials	7	3 Days	[None

Table 103

4.5.1 WORK INTERGRATED LEARNING PROGRAMME

The Municipality in partnership with uMgungundlovu TVET College placed 20 in-service trainees for Work Integrated learning for a period of 18 months. These trainees were placed in different departments within the Municipality and rotated according to the requirements of their log books. The 28th of March marked the end of the 18-month period and the Municipality said goodbye to most of the trainees, four of the trainees still remain within the Municipality as their contracts with Cogta and BankSeta have not yet expired.

A small programme was held on the 28th of March where words of appreciation and encouragement were shared as a sendoff. Appreciation certificates were given to the learners as a token of appreciation from the Municipality



EMPLOYEE ASSISTANCE PROGRAMME

Dr. NDZ has an approved EAP Policy and established an EAP Committee as contemplated in the OHS Act, 85 of 1993. The employee assistance program is designed to assist with the identification and resolution of problems associated with employees impaired by personal concerns. The aim is to encourage an organizational culture that is both task-orientated and caring, address problems early and prevent complications that negatively affect both work performance and life in general, foster employee wellness, sustain optimal functioning of staff which leads to productivity and improved quality of life for individuals and their families. The Corporate Support Services Department had a target of 3 Wellness Programmes however, we have overachieved by conducting 4 wellness programs in the 2023/2024 financial year.

WOMENS DAY CELEBRATION

Women are the backbone of families and communities, they provide care, support, nurturing to their families and are essential to the development of children. Empowering women is essential to the health and social development of families and countries, therefore the municipality strives in ensuring the promotion of women by educating and upskilling women, promoting their sense of self-worth, their ability to determine their own choices and their rights to influence social change for themselves and others

In light of the above, the Municipality hosted a Women's Empowerment Workshop that took place at Drakensberg Hotel on the 11th of August 2023. Female staff members & Councillors from all Municipal sites attended. The programme focused on spiritual wellness, inner & outer beauty, mental health, legacy planning, women's rights, financial management, maintaining a healthy workplace as well as female health.



4.5.2 HERITAGE DAY WORKSHOP

Heritage day has become a day that encourages South Africans to celebrate and honor the nation's cultural traditions, communities and above all heritage. Our heritage reminds us of where we come from and foster a sense of belonging and identity. It teaches us lessons from history, offers guidance on how to navigate the problems of the present and helps us build the future.

In an attempt to encourage employees to celebrate their culture, diversity, their beliefs and traditions. The Dr. NDZ Municipality hosted a heritage workshop/ EAP to educate employees on the aforementioned. This was meant to provide a better understanding of each other's culture, customs, traditions and create unity amongst employees. The workshop/ EAP took place at Bulwer Art Center on the 21st September 2023. The programme included educational speeches from Management, Councillors and traditional crafters on heritage and traditional dress codes, performances from traditional crafters funded by the Municipality.

To encourage unity, as a team building exercise employees were grouped into their departments together with their portfolio committees. All departments were required to perform a traditional item of their choice. All departments participated with performances like Gumboots dance, Indlamu, ingoma yezinsizwa, ukuxhensa and inhlokohelela yabafazi. This encouraged confidence, the spirit of togetherness and gave an opportunity for all present to learn about different cultures through song and dance.



EMPLOYEES WELLNESS/ END YEAR FUNCTION

The third wellness programme took place at the Sani Pass Premier hotel on the 13th of December 2023. Staff from all municipal sites and Cllrs were in attendance. In the spirit of world AIDS month, a member of the EAP Committee Miss Mbalenhle Phewa presented an awareness speech on the HIV & AIDS pandemic. Candles were lit in commemoration of our loved ones that have lost their loved ones because of this disease.

In consideration of the festive season and how employees waste money on unprofitable festivities during this time, there were two representatives from FNB to sensitize staff on money wasters, the importance of budgeting, investments and the different types.

The Municipality also appointed Dr. Mthimkhulu who spoke about depression and anxiety in the workplace. She touched on amongst other things, issues of stress, workplace wellbeing, the importance of acquiring leadership skills so as to avoid imposing stress on staff as a manager. This was done to improve mental health at work, protect and promote mental health at work and support workers with mental health conditions.

In an attempt to ensure a highly motivated staff of the Dr Nkosazana Dlamini Zuma Municipality, a year-end staff awards ceremony was also included as part of the programme. Staff awards are beneficial in the sense that they provide high employee morale, serve as an inspiration to others, assist in retaining the best talents and also strengthen workplace relations. Staff from all 6 Departments received awards according to selections submitted by their Heads of Departments in the following categories. Selected award winning employees all received certificates, trophies

and goody bags. The session was led by the Municipal Manager and the handing over of gifts was done by councillors and senior management.



SPORTS DAY

The 4th programme took place on June 13, 2024. This program focused on physical health and team building. The day began with a communal walk from the Municipal gate in Creighton to the sports field, where Mayor Cllr P.S Msomi greeted participants. Attendees then engaged in aerobics to prepare for the day's activities.

Participants were divided into four mixed teams, including councillors, management, and employees. This structure aimed to enhance workplace relationships, promote physical health, and provide a relaxing, enjoyable experience for all, particularly in recognition of youth month. The teams competed in various activities, including:

- Sprint races (100m, 200m, 400m)
- 4x100m relay race
- Duck race
- Dressing up race
- Tug of war

The event concluded with a match between councillors and staff. The Municipal Manager awarded medals to winning participants to show appreciation and encourage future involvement.



OCCUPATIONAL HEALTH & SAFETY

The Occupational Health and Safety unit is responsible for the elimination of risks and to comply with the Department of Labour compliance, therefore the unit has to report on Evacuation Drill, Medical surveillance project, Face-to-Face Counselling, Workshop staff with OHS policy, COIDA cases, and Department of Employment & Labour.

EVACUATION DRILLS

OHS and Fire & Rescue Units conducted Fire evacuation drills as per the table below to educate employees on how to safely evacuate from the buildings and use Firefighting equipment in case of fire and emergency situations.

Dates	Venue
15 th August 2023	Himeville Offices,
16 November 2023	Himeville Workshop,
13 th February 2024	Creighton Base & Licensing Offices
09 th May 2024	Bulwer Community Service Centre (CSC)

Table 104

EMPLOYEES DURING EVACUATION DRILLS



FIRE EQUIPMENT SERVICE

On the 10th of April 2024 Sephulamoya Trading was appointed to service firefighting equipment in various sites as per the table below.

SITE NAME	EQUIPMENT DESCRIPTION	EXTENSION NUMBERS	NUMBER OF EQUIPMENT SERVICED
Creighton Hall	9kg DCP	No extension numbers	05 Done
	Fire Hose reel	Ext.no22	01 Done
Creighton library	9kg DCP	Ext.no23 & 26	02 Done
	5kg CO2	Ext.no21,27 & 28	03 Done

SITE NAME	EQUIPMENT DESCRIPTION	EXTENSION NUMBERS	NUMBER OF EQUIPMENT SERVICED
	Fire Hose reel	Ext.No36	01 Done
Creighton Licencing	9kg DCP	Ext.no96 & 99	02 Done
	5kg CO2	Ext.no91 & 92	02 Done
	4,5 DCP	Ext.no97	01 Done
	Fire Hose Reel	No extension number	01 Done
	Fire Hydrant	No extension	01 Done
Creighton Pound	9kg DCP	No extension number	01 Done
	5kg CO2	Ext.no111	01 Done
Donnybrook Compound	9kg DCP	Ext.no31	01 Done
	9liter Foam	Ext.no32	01 Done
Nkwezela Library	5kg CO2	Ext.no11 & 12	02 Done
Bulwer library	9kg DCP	Ext.no155 & 14	02 Done
	5kg CO2	Ext.no 130	01 Done
	Fire Hose reel	Ext.no158	01 Done
Bulwer Hall	9kg DCP	Ext.no157,159,160 & 161	04 Done
	5kg CO2	No extension number	01 Done
	Fire hose reel	No extension number	01 Done

SITE NAME	EQUIPMENT DESCRIPTION	EXTENSION NUMBERS	NUMBER OF EQUIPMENT SERVICED
	Fire hydrants	No extension numbers	02 with No water Done
Bulwer Park Home	9liters Foam	No extension number & Ext.no162	02 Done
Bulwer CSC	9kg DCP	Ext.no168,169,165,166,106,108,104,173,164plus two with no extension numbers	11 Done
	4,5 DCP	No extension number	02 Done
	Fire hose reels	Ext.no167,107,103,105 & one with no extension number	05 Done
	Fire Hydrants	No extension numbers	03 Done
Tourism Office	4,5kg DCP		01 Done
Underberg library	9kg DCP	Ext.no39 & 33	02 Done
	5kg CO2	Ext.no34,35 & 38	03 Done
Himeville Pound	4,5kg DCP	No extension number	02 Done
Himeville Workshop	4,5kg DCP	Ext.no141	01 Done
	9liter Foam	Ext.no139,142&148	03 Done

Table 105

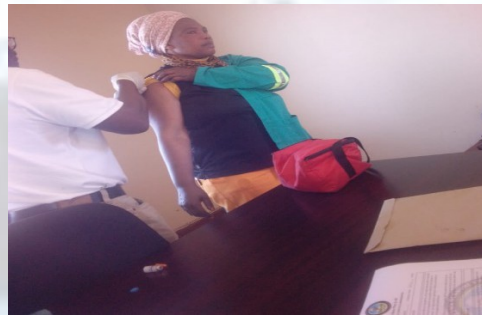
4.5.3 MEDICALS SURVEILLANCE PROJECT IN PROGRESS

Hepatitis B Injection /Vaccination

In 2023/2024 financial year, a Hepatitis B vaccination program was implemented for waste management employees. The program consisted of three doses:

1. First dose: Administered on August 30, 2023, to 68 employees
2. Second dose: Given on October 4, 2023
3. Third dose: Completed on February 23, 2024

This initiative was notably successful, marking the first time such a program was carried out through the organization's panel of professional practitioners. The program targeted workers in the waste management sector, addressing specific health risks.



Baseline Full Medical Examination

In 2024, two separate medical examination initiatives were conducted for employees:

1. November 10, 2024:
 - Occupational Health and Safety (OHS) organized comprehensive medical examinations
 - 21 employees were examined
 - Examinations were performed by Dr. Nemukongwe, a member of the organization's medical panel
2. June 13, 2024:
 - NNY Health, associated with the Natal Joint Municipal Pension/Provident Fund, conducted full medical check-ups
 - 10 employees underwent these examinations

These medical examination programs demonstrate the Municipality's commitment to monitoring and maintaining employee health



Face to Face Counselling

The matter of face-to-face has been resolved and we have to report that Six employees assisted on this program by 25 January 2024 for different problems affecting their work. These Employees are from the following units: Fire & rescue unit and Traffic unit. We are continuing to assist employees by this project through request from their Management.

COIDA CASES/INJURY ON DUTY CASES.

On 2023/2024 financial year, Ten injuries were recorded on duty.

Date of an accident/Injury	Injured Employee	Cause of Accident/illness	Status
16 February 2024	Ntombencane Tenza	Stung by Bees	Back to Normal Duties.
26 February 2024	Nobukhosi Mbanjwa	Slipped and fell	Back to Normal Duties.
11 March 2024	Bonginkosi Mncwabe	Car Accident	Back to Normal Duties.
23 April 2024	Sibusiso A. Dlamini	Fell from a truck and landed on the gate with his right elbow.	Back to Normal Duties.
26 April 2024	Xoliswa H .Khumalo	Slipped and fell	Back to Normal Duties.
13 May 2024	Phelelani S .Bhengu	Slipped and fell	Back to Normal Duties.
24 June 2024	Mbali A. Phewa	Slipped and fell	Back to light duties.
26 September 2023	Mr. P Bhengu	Car accident	Back to normal Duties.
19 September 2023	Miss. S. Magoso	She fell on the steps and injured on the arm.	Back to normal Duties.

Date of an accident/Injury	Injured Employee	Cause of Accident/illness	Status
19 December 2023	Mr. Vuyo Mnvenve	illness	Back to normal Duties.

Table 106



CHAPTER 5

BUDGET AND TREASURY OFFICE

FINANCIAL VIABILITY & MANAGEMENT: KPA

5.1 STATEMENT ON THE FINANCIAL PERFORMANCE

The purpose of this section is to report on the financial performance of the municipality for the 2023/24 financial year. The detailed Annual Financial Statements (AFS) is a separate volume from the Annual Report. The Budget and Treasury office consists of five units namely:

- ❖ Supply Chain Management
- ❖ Expenditure Management
- ❖ Revenue Management
- ❖ Fleet Management
- ❖ Asset Management

Annual Performance	Targets achieved	Targets not achieved	Targets applicable in 2023/24 FY	Not applicable in 2023/24 FY
Total no of targets: 09				
Annual performance & performance in percentages	09	08	09	0
	89%	11%	100%	0%

Table 107

CATEGORY	2022/2023	2023/2024
No. of targets	20	09
Targets Achieved	19	08
Targets not achieved	01	01
% of targets not achieved	05%	11%
% of targets achieved	95%	89%

Table 108

COMPONENT B

5.2 SPENDING AGAINST CAPITAL BUDGET

Assets and Infrastructure

Asset management is central to providing the required services in a cost-effective, efficient, and transparent manner. The asset management plans to continue and maintain a high standard to ensure:

- ❖ The effective and efficient control, utilization, safeguarding and management of municipal assets.
- ❖ Compliance with all relevant standards, policies and procedures relating to property, plant, and equipment.
- ❖ The implementations of the MFMA, specifically, section 63 and the principles in accordance with GRAP standards.
- ❖ The valuation of assets, and the establishing and maintaining systems of internal controls over assets,
- ❖ The establishment and maintenance asset register and clarifying responsibilities and accountabilities for the asset management process.

The municipality adopted the cost model on accounting for their property plant and equipment. The Municipal Infrastructure Grant (MIG) allocation for 2021/2021 catered for 6 road projects, 1 sports field, 3 community halls, 2 crèches, shelter and toilets and a business hive. The municipality has purchased its own Plant and Machineries in improving efforts in the delivery of infrastructure services.

CAPITAL SPENDING ON 5 LARGEST PROJECTS

Name of the project	2023/2024 Original Budget	Actual Expenditure	Percentage Spent
Creighton Sports Centre (Phase 2) – Construction of Artificial Turf Grass	R 15 369 393.30	R 13 270 359.41	86%
Construction of Himeville Asphalt Surfacing Roads Phase 3	R 8 400 000.00	R 7 548 870.39	90%
Construction of Creighton Storage/Archives	R 7 006 113.95	R 6 547 146.80	93%

Name of the project	2023/2024 Original Budget	Actual Expenditure	Percentage Spent
Construction of Mafohla Community Hall	R 5 481 584.41	R 3 562 234.72	65%
Construction of Bulwer Asphalt Surfacing Road Phase 8 (Section 2) Ntokozweni Road.	R 5 025 941.37	R 4 523 249.12	90%

Table: 109

Projects with the highest capital expenditure	
Name of the project	Creighton Artificial Sport field
Objective of the Project	Provision of sports facility
Delays	Not applicable
Future challenges	Cost of Maintaining the sports field
Anticipated citizens benefits	The community will be able use the sports facility
Name of the project	Construction of Himeville Asphalt Surfacing Roads Phase 3
Objective of the Project	Road Network
Delays	Not applicable
Future challenges	Cost of Maintaining the road
Anticipated citizens benefits	The community will be able access schools & hospitals easily and other facilities.
Name of the project	Construction of Creighton Storage/Archives
Objective of the project	Provision of Storage Facility
Delays	Not applicable
Future challenges	Cost of Maintaining the Storage Facility

Projects with the highest capital expenditure	
Name of the project	Creighton Artificial Sport field
Anticipated benefits	The municipality would be able to keep records and store information in terms of relevant records management prescripts
Name of the project	Construction of Mafohla Community Hall
Objective of the project	Provision of Community Hall
Delays	Not applicable
Future challenges	Cost of Maintaining the community hall
Anticipated citizens benefits	The community will be able use the community hall
Name of the project	Construction of Bulwer Asphalt Surfacing Road Phase 8 (Section 2) Ntokozweni Road.
Objective of the project	Road Network
Delays	Not applicable
Future challenges	Cost of Maintaining the road
Anticipated citizens benefits	The community will be able access schools & hospitals easily and other facilities.

Table: 110

COMPONENT C:**5.3 CASH FLOW MANAGEMENT AND INVESTMENT****Cash and Investments balances as at 30 June 2024**

There is an increase in interest on investments as a result of more investments made during the financial year. No account was held as security in the last financial year. Investment portfolio (fixed deposit) have been diversified to reduce the investment risk across four major banks i.e., FNB, Ned bank, Investec, Absa and STD bank.

Account	2023/2024	2022/2023
FNB	R 35 886 475.46	R 46 056 277,88
NED BANK	R 27 832 332.23	R 51 378 515,96
INVESTEC	NIL	R 10 544 190,98
STANDARD BANK	R 37 913 926.21	-
ABSA BANK	R 32 919 513.56	R 33 841 115,95
PRIMARY ACCOUNT	R 4 881 932.94	R 17 433 887,90
Cash and Cash Equivalent	R 139 431 180.40	159 253 988,67

Table: 111

Allocation of Grants and Receipts 2023/24 Financial Year

Name of Grant	Budget 2023/2024	Actual Received	Percentage Received
Integrated National Electrification	7 561 000	7 561 000	100%
Financial Management Grant	1 950 000	1 950 000	100%
Municipal Infrastructure Grant	29 654 000	29 654 000	100%
Equitable Share	162 271 000	162 271 000	100%
Provincial of Libraries	2 946 000	2 946 000	100%
Community Library Services Grant	1 223 000	1 223 000	100%
Greenest and Smart Municipality Competition Award Grant	1 200 000	1 200 000	
Expanded Public Works	2 178 000	2 178 000	100%
TOTAL	209 983 000,00	209 983 000,00	100%

Table: 112

COMPONENT D**5.4 OTHER FINANCIAL MATTER**

Dr Nkosazana Dlamini Zuma Local Municipality spent 96% of its operational budget at the end of June 2024

Description	2023/2024 Final Budget	As at 30 June 2024	Percentage
Operating expenditure	R 279 182 240.00	R 267 753 904.82	96%

Table: 113

Expenditure on staff salaries and remuneration for councillors

Description	2023/2024 Original Budget	As at 30 June 2024	Percentage Spent
Employee related Costs	R 92 471 030	R 84 721 186.93	92%
Councillors Remuneration	R 12 503 886	R 12 497 840.92	100%

Table 114

Employee Related Costs

The employee-related costs & councilors ratio is sitting at 36% of total operating Expenditure.

Annexure D: Total Cost Savings Disclosure in the In-Year and Annual Report Cost

Measures	Cost Containment In-Year Report Measures					
	Budget	Q1	Q2	Q3	Q4	Savings
	R'000	R'000	R'000	R'000	R'000	R'000
Use of consultants	9,234,285.00	284,013.85	94,671.28	20,826.34	41,644.94	441,156.41
Vehicles used for political office -bearers	746,112.00	-	-	1,471.84	42,067.71	43,539.55
Travel and subsistence	675,808.00	12,938.18	4,312.73	3,949.12	22,131.42	43,331.44
Domestic accommodation	3,879,982.00	31,139.67	10,379.89	9,441.54	27,906.62	78,867.71
Sponsorships, events and catering	2,232,922.00	15,626.29	5,208.76	4,913.04	38,734.44	64,482.53
Communication	4,012,908.00	95,039.88	31,679.96	12,145.86	36,321.93	175,187.63
Other related expenditure items	4,526,364.00	69,090.41	23,030.14	16,002.61	43,394.24	151,517.39
Total	25,308,381.00	507,848.27	169,282.76	68,750.33	252,201.30	998,082.65

Cost Containment Annual Report			
Cost Containment Measures	Budget	Total Expenditure	Savings
	R'000	R'000	R'000
Use of consultants	9,234,285.00	390,302.00	441,156.41
Vehicles used for political office -bearers	746,112.00	207,137.95	43,539.55
Travel and subsistence	675,808.00	77,321.61	43,331.44
Domestic accommodation	3,879,982.00	484,165.12	78,867.71
Sponsorships, events and catering	2,232,922.00	181,032.20	64,482.53
Communication	4,012,908.00	145,667.23	175,187.63
Other expenditure items	4,526,364.00	578,867.79	151,517.39
Total	25,308,381.00	2,064,493.90	998,082.65

Table 115

CHAPTER 6

Auditor-General Audit Findings

This chapter will be added after the presentation of the final management report to Council in January 2025

7.Conclusion

This report has been prepared internally in the Office of the Municipal Manager: Strategic Support Services Unit.

CONFIRMATION:

**MR NC VEZI
MUNICIPAL MANAGER**

DATE

Annual Performance Report for 2023/2024 Financial Year

NATIONAL KPA 1: MUNICIPAL INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION PROVINCIAL GROWTH & DEVELOPMENT STRATEGY (PGDS) GOAL 2 : HUMAN RESOURCE DEVELOPMENT GENERAL KPI: 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. GENERAL KPI: THE PERCENTAGE OF A MUNICIPALITY'S BUDGET ACTUALLY SPENT ON IMPLEMENTING ITS WORKPLACE SKILLS PLAN BACK TO BASICS PILLAR 5: BUILDING CAPABLE LOCAL GOVERNMENT INSTITUTIONS CORPORATE SERVICES DEPARTMENT: 2023/2024 ANNUAL PERFORMANCE REPORT								2023/2024 ANNUAL ACTUAL PERFORMANCE					
IDP NO.	STRATEGIC OBJECTIVE	PROJECT	KEY PERFORMANCE INDICATOR	BASELINE	2022/2023 ANNUAL TARGET	2022/2023 ACTUAL PERFORMANCE	2023/2024 ANNUAL TARGET	2023/2024 ACTUAL PERFORMANCE	REASONS FOR VARIANCES	CORRECTIVE MEASURES	RESPONSIBLE DEPARTMENT	ANNUAL BUDGET	PORTFOLIO OF EVIDENCE
						BUDGET ACTUALS		BUDGET ACTUALS					
CORP 1	To review 30 existing HR policies to improve effectiveness and efficiency in service delivery by 30 June 2026.	Review 30 existing HR policies	Number of policies reviewed and approved by Council	30 HRM policies & 1 HR Strategy in place 2022/23 financial year	30	Target achieved, 30 HR policies approved by Council on 30 May 2023	30	Target Achieved 30 HR Policies reviewed and approved by Council on 21 May 2024.	N/A	N/A	Corporate Support Services	NA	1. Minutes of strategic planning session 2. Attendance Register Agenda 3. Notice of Meeting 4. Council Resolution with a List of 30 Approved Policies and 1HR Strategy
								0					
CORP 2	Capacitating employees on 30 HR policies to improve effectiveness and efficiency in service delivery by 30 June 2026.	Capacitating employees on HR Policies	Number of Workshops conducted on HR policies.	2 HR Policy workshop conducted in 2022/23 financial year	2	Target achieved, 02 HR workshops conducted on HR Policies.	2 Workshops Conducted by 31 December 2023	Target Achieved, 02 workshops were conducted on HR polices.	N/A	N/A	Corporate Support Services	NA	1. Signed Workshop Report 2. Notice of Workshop
								0					
CORP 3	To ensure compliance with the approved Employment Equity Plan	Submission of Employment Equity Report	Number of reports submitted to Department of Employment & Labour	1 Employment Equity Report submitted to DEL in 2022/23 financial year	1 EER submitted to DEL by 31 January 2023	Target achieved, 1 EER was submitted to DEL by 31 January 2023	Submission of EE Report to DEL by 31 March 2024	Target Achieved -01 EE Report was submitted to Department of Employment and Labour.	N/A	N/A	Corporate Support Services	N/A	Letter from DEL (Proof of submission/acknowledgment letter)
								0					
CORP 6	To capacitate all municipal employees & Councillors to improve performance of the set objectives by 30 June 2026	Coordination of Training Programmes	Number of employees training programmes coordinated	152 employees were trained on the different skills development programmes in 2022/2023	40	Target Achieved, 152 employees were trained on the different skills development programmes.	5	Target Achieved, 19 training programmes were coordinated.	The additional training programmes were as a result of the intervention by other government entities that offered training for the municipality: Cogta, SALGA, NSG & LGSETA.	N/A	Corporate Support Services	R250 000	Attendance Registers Signed Close-Out Training Reports
								R155 625.00					

CORP 7	To capacitate all municipal employees & Councillors to improve performance of the set objectives by 30 June 2026	Coordinate Councillor Training	Number of Councillors' training programmes coordinated	6 Councillor training programmes were conducted in 2022/2023	2	Target Achieved,06 Councillors training programmes coordinated	2	Target Achieved,10 Training programmes were conducted	The 8 additional training programmes were as a result of the intervention by other government entities that offered training for the municipality: Cogta, SALGA, NSG & LGSETA.	NA	Corporate Support Services	R125 837	1. Specification 2. Attendance Register 3. Signed Close-out Report	
								R0						
CORP1 1	To provide responsive information and communication technology processes for effective operations in the municipality by 30 June 2026	Implementation of Off-site or disaster recovery	Number of back-up off-site / disaster recovery implemented	New project	New project	New project	01 backup off-site/disaster recovery implemented	Target Achieved, 01, back-up offsite/disaster recovery implemented.	N/A	N/A	Corporate Support Services	R610 000	1. Disaster Recovery 2. Specification 3. Appointment Letter Implementation Report	
								R436 226.50				R436 226.50		
CORP 13	To inculcate a culture of good governance compliance and effective internal controls by 30 June 2026	Compile and monitor of Council Resolution Registers	Number of Council Resolution Registers produced and Implemented	09 Council Resolution Registers produced and implemented in 2022/23	9	Target Achieved, 09 Council Resolutions were produced and implemented.	9	Target Achieved 10 Council Resolution Registers produced and Implemented	The additional Council resolution is as a result of a special Council meeting.	N/A	Corporate Support Services	NA	Signed Council Resolution Register Signed Council Resolutions Attendance Register	
								0						
PROVINCIAL GROWTH & DEVELOPMENT STRATEGY (PGDS) GOAL 3: HUMAN AND COMMUNITY DEVELOPMENT NATIONAL KPA 2 : BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT OUTCOME 9 : IMPROVED ACCESS TO BASIC SERVICES GENERAL KPI: THE PERCENTAGE OF HOUSEHOLDS EARNING LESS THAN R1100 PER MONTH WITH ACCESS TO FREE BASIC SERVICES PERCENTAGE OF THE MUNICIPALITY'S CAPITAL BUDGET ACTUALLY SPENT ON CAPITAL PROJECTS IDENTIFIED FOR A PARTICULAR FINANCIAL YEAR IN TERMS OF THE MUNICIPALITY'S IDP BACK TO BASICS PILLAR 4: DELIVERING BASIC SERVICES PUBLIC WORKS AND BASIC SERVICES DEPARTMENT 2023/2024 ANNUAL PERFORMANCE REPORT									2023/2024 ANNUAL ACTUAL PERFORMANCE					
IDP / SDBIP NO.	STRATEGIC OBJECTIVES	PROJECT	KEY PERFORMANCE INDICATOR	BASELINE	2022/2023 ANNUAL TARGET	2022/2023 ACTUAL PERFORMANCE	2023/2024 ANNUAL TARGET	2023/2024 ACTUAL PERFORMANCE	REASONS FOR VARIANCES	CORRECTIVE MEASURES	RESPONSIBLE DEPARTMENT	REVISED ANNUAL BUDGET	REVISED PORTFOLIO OF EVIDENCE	
								BUDGET ACTUALS						

PWBS 1	To improve access to roads infrastructure by 30 June 2026	Upgrade of Gravel Roads steep hills to concrete surface 1 Tars Valley 2 Mqatsheni 3 Mandawe.	Number of kilometers of gravel roads steep hills upgraded to concrete surface.	New Project	1 Consultant & Development of Preliminary Designs	Target Achieved,1 consultant was appointed for the development of Preliminary Designs	0.3km	Target not achieved,0 km of gravel roads upgraded to concrete surface	There were delays in the formation of Project Steering Committees for the three gravel roads that were supposed to be upgraded to concrete surface.	Service providers are on site and they have submitted the implementation plan which will be closely monitored by the department. These projects will be completed before 31 December 2024.	PWBS	R1 500 000	Signed detailed progress report of all activities done in each project
								R1 076 590				R1 076 590	
PWBS 2	To improve roads storm water control infrastructure by 30 June 2026	Roads Storm Water installation	Number of meters of roads storm water-pipes installed	282.5m of storm water pipes was installed in 2021/2022	100meters	Target not achieved,0m of roads storm water pipes installed.	100m	Target achieved, 170m of storm water pipes were installed.	The over-achievement was as a result of a number of roads that were damaged by floods, in order to improve the road infrastructure network more storm water-pipes were installed.	N/A	PWBS	R 379 000	Signed Detailed Progress Report of all activities done in project
								R329 250.00				R329 250.00	
PWBS 3	To improve access to roads infrastructure by 30 June 2026	Construction of Asphalt/Concrete roads 1. Himeville asphalt road 2. Underberg asphalt road 3. Bulwer asphalt road 4. Himville Township Roads	Number of kilometers of roads surfaced with asphalt/ concrete	600m of asphalt road constructed in 2022/2023	792m	Target not achieved,600m of Bulwer Asphalt road surfaced.	2.64km	Target achieved 2.654km roads surfaces with asphalt/concrete.	NA	N/A	PWBS	R9 093 636.00	1. Appointment letter 2. Progress Report 3. Summarized report with calculations reflecting actual performance 4. Signed Practical Certificates
								R8 573 411.34				R8 573 411.34	
PWBS 4	To improve access to roads infrastructure by 30 June 2026	Roads Maintenance	Number of kilometers of gravel roads maintained	19.38km of gravel roads maintained in 2022/2023	18km	Target achieved, 19.38km of gravel roads maintained	17km	Target achieved. 23.236km of roads was maintained	Due to high volume of rains in Quarter 3 roads were damaged and the municipality had to maintain additional roads.	N/A	PWBS	R12 950 000.00	1. Detailed Progress Report of all activities done in each project 2. Job cards for internal maintenance with signatures of all parties concerned 3. Signed internal and External Practical Completion certificates 4. Listing of access roads completed 5. Summarized report with calculations supporting actual performance
								R9 368 347.21					
PWBS 5	To improve access to buildings and recreational facilities by 30 June 2026	Construction of Community halls 1) Mafohla Community hall 2) Masameni Community Hall	Number of community halls constructed	1 community hall constructed in 2022/2023	1	Target achieved, Hlabeni community hall was constructed	2	Target not achieved 1 Community hall was constructed (Masameni)	Due to poor performance by the service provider for Mafohla Community	The project will be completed before 31 December 2024.	PWBS	R6 734 899	1. Signed Practical Completion Certificates

								R5 596 230.46				R5 596 230.46	
									Hall, the service provider had to be terminated.				
								R5 596 230.46				R5 596 230.46	
PWBS 6	To improve access to buildings and recreational facilities by 30 June 2026	Construction of Sports Fields 1) Creighton Sport Center phase 2	Number of sport fields constructed	1 Sports field constructed in 2022/2023	1(Makawusana Sports field)	Target Achieved, 1(Makawusana Sportfield constructed	1	Target achieved 1, Sportfield was constructed (Creighton sport center)	N/A	N/A	PWBS	R7 704 472	1.Signed Practical Completion Certificates
								R7 702 778.41				R7 702 778.41	
PWBS 7	To improve access to buildings and recreational facilities by 30 June 2026	Construction of Crèches 1) Gala Crèche 2) Lwazi Crèche 3)(Sizamokuhle) - Njobokazi Crèche	Number of Crèches constructed	1 Crèche Constructed in 2022/2023	1	Target achieved, Langelihle Crèche was constructed.	3	Target achieved,3 Crèches were constructed 1. Gala Crèche 2. Lwazi Crèche 3. Sizamokuhle Crèche	N/A	N/A	PWBS	R 7 028 130.00	1. Appointment Letters 2.Signed Practical Completion Certificates
								R6 473 996.59				R6 473 996.59	
PWBS 8	To improve access to roads infrastructure by 30 June 2026	Construction of Pedestrian Bridges 1) Ridge to Ntwasahlobo 2) Dazini Ndlangisa Bridge 3)Ghobhobh o bridge 4)Half my Right	Number of EIA Studies Conducted for pedestrian bridges.	New Project	New Project	New Project	4	Target achieved 4 EIA studies conducted for pedestrian bridges	N/A	N/A	PWBS	R2 500 00	1. Final basic Assessment Report 2. Proof of Submission to EDTEA
								R1 876 593.26				R1 876 593.26	
PWBS 9	To improve access to buildings and recreational facilities by 30 June 2026	Appointment of service providers for the construction of Centocow Taxi Rank Phase 3	Number of service providers appointed for the construction of taxi rank Phase 3	3 Taxi Ranks Constructed in 2020/2021	New Project	New Project	1 Appointment	Target achieved : 1 Contractor was appointed.	N/A	N/A	PWBS	R1 000 000	1. Appointment letter 2.Signed Practical Completion Appointment Letter
								R969 497.59				R969 497.59	
PWBS 10	To improve access to buildings and recreational facilities by 30 June 2026	Maintenance of Community Assets 1. Nkumba Community Hall 2. Mkhazini Community Hall 3. KwaPitela Sportfield 4. Mpumlwane Sportfield 5. Woodhurst Sportfield 6. Kilmun Sportfield	Number of community assets maintained	6 Community Assets Maintained in the 2022/2023 Financial Year	6	Target Achieved, 6 Community halls maintained 1. Nhlanhleni Community hall 2. Ntwasahlobo Community hall 3. Bethlehemema 4. Ridge 5. Xosheyakhe 6. Tafuleni	6	Target achieved 6 community assets maintained.	N/A	N/A	PWBS	R3 387 345.00	1. Signed internal /External Practical Completion certificates 2. Listing of Community Assets maintained
								R3 117 087.05					

PWBS 11	To improve access to buildings and recreational facilities by 30 June 2026	Maintenance of Municipal Buildings 1. Underberg Library 2. Bulwer CSC 3. Creighton Flats 4. Creighton Animal Pound 5. Creighton Main Office	Number of municipal buildings maintained	1 Municipal building maintained in the 2021/2022 Financial Year	4	Target not achieved, 2 Service providers were appointed for LOT 95 and 3 which have been practically completed. The municipality could not get suitable service providers within the budgeted amount for Lot 68 and lot 87.	5	Target Achieved: 5 Municipal Buildings were maintained 1. Creighton Flats 2. Creighton Animal pound 3. Creighton Main Office boardroom (Server Room) 4. Underberg Library 5. Bulwer CSC	NA	NA	PWBS	R2 640 000.00	1. Appointment letters 2. Signed Practical Completion Certificates
								R1 759 423.92					
PWBS 12	To improve access to buildings and recreational facilities by 30 June 2026	Construction of Bus shelters	Number of Bus Shelters constructed	7 Bus Shelters constructed in 2022/2023	7	Target achieved, 7 bus shelters constructed	8	Target achieved, 08 Bus shelters constructed	N/A	N/A	PWBS	R240 000	1. Appointment letters 2. Progress report 3. Signed internal and External Practical Completion certificates 4. Listing of Bus Shelters constructed
								R240 000					
PWBS 13	To improve access to electricity by 30 June 2026	Household Electrification	Number of households connected to grid electricity	554 Households connected to Grid Electricity in 2022/2023	553	Target achieved, 554 households connected to grid electricity	571	Target achieved : 594 households were connected to electricity grid.	The over-achievement was as a result of the illegal connections that had to be legalized as per conditions of the MoU signed with Eskom.	NA	PWBS	R6 574 783	1. Signed Internal/External Practical Completion Certificate 2. Listing of all households connected to grid electricity per ward 3. Summarized report with calculations supporting actual performance
								R6 574 783				R6 574 783	
PWBS 14	To improve access to solid waste management services by 30 June 2026	Solid Waste Management	Number of Households with access to solid waste removal	1216 Households with access to solid waste removal in 2022/2023	1395	Target not achieved, 1216 of households with access to solid waste removal	1216	Target Achieved: 1237 Households have access to solid waste removal	The additional households are as a result of new developments in the area and rezoning	N/A	PWBS	Operational	1. Waste Collection Quarterly Reports to PWBS Committee. 2. Billing Register.
								Operational					
PWBS 15	To improve access to solid waste management services by 30 June 2026	Solid Waste Management	Number of indigent households with access to free waste removal	29 indigent Households serviced in 2022/2023	29	Target achieved, 29 indigent households with access to free waste removal	29	Target achieved: 29 indigent households have access to free waste removal	N/A	N/A	PWBS	Operational	1. Waste Collection Quarterly Reports to PWBS Committee 2. Indigent register
								Operational					
PWBS 16	To improve access to housing infrastructure by 30 June 2026	Facilitation of housing projects	Number of housing projects facilitated	25 Housing projects Facilitated in 2022/2023	25	Target achieved, 25 housing projects facilitated	34	Target achieved: 34 housing projects were facilitated	N/A	N/A	PWBS	NA	1. Human Settlement Reports submitted to PWBS committee and 2. Minutes of the Housing Think Tank Committee 3. Listing of 34 Housing Projects reflecting wards and units per project
								Operational					

PWBS 17	To report job opportunities created through infrastructure development projects and EPWP grant funding by 30	Extended Public Works Programme (EPWP)	Number of Work Opportunities created through EPWP grant	328 Work Opportunities created through EPWP Grant in 2022/2023	132	Target Achieved, 328 work opportunities created through EPWP grant	270	Target achieved: 302 Work Opportunities created through EPWP grant	The additional 32 jobs created were as a result of the internal funded projects.	N/A	PWBS	R4 378 000	1. Listing of all EPWP workers
	June 2026												
								R4 378 000				R4 378 000	
PWBS 18	To improve access to roads infrastructure by 30 June 2026	Renewal of Gravel Roads 1) Ntwasahlobo Access Road 2) Mahwaqa Access Road 3) Coachmans Close- Pin Oak 4) Zidweni Access Road. 5) Makubheka Access Road. 6) KwaMfundisi Access Road (Qulashe) 7) Magoso Access Road 8) Kolubovu Access Road 9) Duma Access Road 10) Mbelu Access Road 11) Dlamini Access Road 12) Maphanga Access Road 13) Albertina Access Road 14) Jama Access Road 15) Emgxobeni Access Road	Number of kilometers of gravel roads renewed	19.38km of gravel roads maintained in 2022/2023	14km	Target not achieved, 4.465km of gravel roads renewed: 1. Bhidla Access Road (ward 11): 1km 2. Kwamvimbela Access Road (ward 1): 0,515km 3. Ezakhishweni Access Road (Ward 1): 0.950km 4. Malephula Access Road (Ward 12): 1km 5. Magwinyane Access Road (Ward 15): 1km	15Km	Target achieved: 20.508km kilometers of gravel roads were renewed.	The additional roads are as a result of the gravel roads that were rolled-over from the previous financial year.	NA	PWBS	R 9 789 866	1. Practical Completion certificates 2. Listing of roads renewed
						R1 552 175		R9 529 399.35				R9 529 399.35	
PWBS 19	To ensure provision, upgrade and maintenance of infrastructure and services that enhance economic development by 30 June 2026	Infrastructure Upgrade of municipal towns: 1) Underberg Town Upgrade, 2) Bulwer. Town Upgrade 3) Creighton Town Upgrade	Number of municipal towns infrastructure upgraded to enhance economic development	3 municipal towns infrastructure upgraded to enhance economic development in 2021/2022 Financial Year	3	Target not achieved, all 3 Municipal towns infrastructure upgrades are incomplete.	3	Target not achieved, 02 municipal town infrastructure upgrade completed to enhance economic development (Underberg & Creighton Town upgrades)	Due to poor performance by the service provider for Bulwer town infrastructure upgrades, the contract had to be terminated.	A new service provider will be sourced through SCM processes in order to complete infrastructure upgrade for the Bulwer municipal town. This project will be	PWBS	R3 242 680.00	1. Appointment Letter 2. Signed Internal and External Completion Certificates

										completed by 31 March 2025.			
						R7 586 383.84		R2 362 801.01				R2 362 801.01	
PWBS 20	To improve access to roads infrastructure by 30 June 2026	Bridge construction 1) Sdangeni Bridge	Number of Bridges Constructed	Phase 1 constructed, concrete culverts have been installed in 2021/2022 Financial Year.	1	Target Not Achieved, 1 Sdangeni bridge incomplete.	1	Target Achieved, 1 bridge was constructed (Sdangeni)	NA	NA	PWBS	R1 079 096	1.Appointment Letter 2.Signed Practical Completion Certificate
						R249 616,97		R430 281.08				R430 281.08	
PWBS 21	To improve revenue management for effective service delivery and financial viability by 30 June 2026	Revenue Enhancement - Himeville Transfer Station	Number of projects implemented to enhance municipal revenue	1 municipal weighbridge has been installed in 2021/2022	New Project	New Project	2	Target achieved , 02 projects (solid-waste, waste collection bylaws)implemente d to enhance municipal revenue	N/A	N/A	PWBS	NA	1.Detailed report indicating number of projects implemented to enhance municipal revenue
								R26 999				R26 999	
NATIONAL KPA 3 : LOCAL ECONOMIC DEVELOPMENT PROVINCIAL GROWTH & DEVELOPMENT STRATEGY (PGDS) GOAL 1: INCLUSIVE ECONOMIC GROWTH GENERAL KPI: THE NUMBER OF JOBS CREATED THROUGH MUNICIPALITY'S LOCAL ECONOMIC DEVELOPMENT INITIATIVES INCLUDING CAPITAL PROJECTS. BACK TO BASICS: PILLAR 1 - PUTTING PEOPLE FIRST COMMUNITY AND SOCIAL SERVICES DEPARTMENT:2023/2024 ANNUAL PERFORMANCE REPORT									2023/2024 ANNUAL ACTUAL PERFORMANCE				
IDP / SDBIP NO.	REVISED STRATEGIC OBJECTIVE	REVISED PROJECT	REVISED KEY PERFORMANCE INDICATOR	REVISED BASELINE	2022/2023 ANNUAL TARGET	2022/2023 ACTUAL PERFORMANCE	2023/2024 ANNUAL TARGET	2023/2024 ACTUAL PERFORMANCE	REASONS FOR VARIANCES	CORRECTIVE MEASURES	RESPONSIBLE DEPARTMENT	REVISED ANNUAL BUDGET	PORTFOLIO OF EVIDENCE
								BUDGET ACTUALS					
CSS1	To Ensure Improved and integrated Institutional Capacity and Reponses to Disaster Incidents Or Disasters by 30 June 2026	Conduct Firebreaks in fire high risk areas	Number of areas where firebreaks are conducted	4 Firebreaks conducted in the 2022/2023 Financial Year.	4	Target achieved. 4 Fire breaks were conducted in four areas: Underberg Bulwer Creighton Himeville township	4	Target Achieved, 4 Fire breaks conducted in high risk areas 1.Underberg Low cost housing on the 17/05/2024. 2. Bulwer Arts Centre on the 30/05/2024. 3. Himeville township on the 11/06/2024. 4. Creighton Animal Pound on the 12/06/2024.	NA	NA	CSS	R 20 000	1.Dated Photos
								R0				R25 800	
CSS 4	To Ensure Improved and integrated Institutional Capacity and Reponses to Disaster Incidents Or Disasters by 30 June 2026	Procurement of Disaster Relief Kits	Number of Disaster Relief kits Procured	Disaster Relief Kit was procured. 1. Blanket 2. Sponge 3. Mattress 4. Plastic sheeting	4	Target achieved. Disaster Relief Kit was procured. 1. Blanket 2. Sponge 3. Mattress 4. Plastic sheeting	Procurement of Disaster Relief Kits by 31 March 2024	Target Achieved, Disaster relief kits procured and delivered.	NA	NA	CSS	R 212 000	1.Delivery Note
						R236 203		R 83 407.50				R 83 407.50	

CSS 6	To Ensure Improved and integrated Institutional Capacity and Reponses to Disaster Incidents Or Disasters by 30 June 2026	Procurement and Installation of Lightning Conductors	Number of Lightning Conductors Procured and Installed	40 lightning conductors were procured and installed.	40	Target achieved. 40 lightning conductors were procured and installed	40	Target Achieved, 41 lightning conductors were procured and installed.	The additional lightning conductor is as a result of the emergency to install it at the Underberg municipal library.	N/A	CSS	R 250 000	1. Dated Photos, 2. Delivery Note 3. Register of beneficiaries	
						R180 000		R212 175				R212 175		
CSS 8	To ensure improvement of literacy levels and encourage culture of reading by 30 June 2026	Conduct Library Outreach Programmes	Number of Library Outreach Programmes Conducted	16 Library Outreach Programmes were conducted	16	Target achieved. 16 Library Outreach Programmes were conducted	16	Target Achieved, 16 Library Outreach Programmes were conducted.	NA	NA	CSS	R 78 600	1. School Register signed by the Principal on behalf of school in attendance 2. Dated Photos	
						R51 805		R21 434				R21 434		
CSS 11	To Ensure Improved and integrated Institutional Capacity and Reponses to Disaster Incidents Or Disasters by 30 June 2026	Procurement of transport assets	Number of vehicles procured	No vehicles were procured in the 2022/2023 Financial Year	2	Target Achieved. 2 park homes procured for satellite fire stations: 1) Ward 12 - 30/06/23 2) Ward 1 - 30/03/23	6	Target Achieved, Not 4 vehicles were delivered to the municipality on the 06/06/24, (2 more vehicles are outstanding)	There were delays in the delivery of 2 vehicles from the service provider.	The Department will expedite the process to ensure delivery of vehicles in the 1st quarter of 2024/25 financial year	CSS	R5 350.00	1. Approved Specification 2. Delivery Note	
						R1 140 000		R 4, 227, 703.01						
CSS 13	To promote youth development though SMME development, Arts, Culture, Sports and Recreation by 30 June 2026	Coordination and Facilitation of Sports, arts and Culture Competition	Number of Sports, Arts and Culture Competitions Coordinated	10 Sports, Arts and Culture Competitions Coordinated	10	Target Achieved. 10 arts and culture competitions coordinated.	9	Target Achieved, 09 Sports, Arts & Culture Competitions Co-ordinated.	NA	NA	CSS	R50 500	1. Attendance Registers 2. Signed reports	
						R366 900		R30 000			CSS	R30 000		
CSS 15	To promote a healthy lifestyle and self-sustainability for Youth, Children ,Women Senior Citizens and Disabled Persons through events, awareness campaigns and competitions by 30 June 2026	Coordination of events	Number of events coordinated	19 Events were coordinated	19	Target Achieved. 19 Events were coordinated	18	Target Achieved, 18 events were coordinated.	NA	NA	CSS	R1 370 289.	1. Signed Close out Report 2.. Attendance Registers	
						R1 282 988		R1 161 948.22				R1 161 948.22		
NATIONAL KPA 4: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT PROVINCIAL GROWTH & DEVELOPMENT STRATEGY (PGDS) GOAL 6 : GOVERNANCE AND POLICY NATIONAL KPI: .FINANCIAL VIABILITY EXPRESSED BY THE RATIOS GENERAL KPI: THE PERCENTAGE OF HOUSEHOLDS EARNING LESS THAN R1100 PER MONTH WITH ACCESS TO FREE BASIC SERVICES BACK TO BASICS PILLAR 4: SOUND FINANCIAL MANAGEMENT BUDGET AND TREASURY OFFICE: 2023/2024 ANNUAL PERFORMANCE REPORT								2023/2024 ANNUAL ACTUAL PERFORMANCE						
IDP NO.	REVISED STRATEGIC OBJECTIVES	REVISED PROJECT	REVISED KEY PERFORMANCE INDICATOR	REVISED BASELINE			2023/2024 ANNUAL TARGET	2023/2024 ACTUAL PERFORMANCE	REASONS FOR VARIANCES	CORRECTIVE MEASURES	RESPONSIBLE DEPARTMENT	REVISED ANNUAL BUDGET	PORTFOLIO OF EVIDENCE	

								BUDGET ACTUALS					
BTO 1	To manage financial resources effectively and efficiently for improved service delivery by 30 June 2026	Preparation of municipal budget	Number of budget reports submitted to IDP/Budget Steering Committee & Council for Approval	2 Budget Reports submitted to Council in 2022/2023	2 Budget Reports submitted to Council	Target Achieved. 2 Budget Reports submitted to Council	3	Target Achieved. 3 Budget Reports submitted to IDP/Budget Steering Committee & Council for Approval	N/A	N/A	BTO	Opex	1. 2023/2024 Adjustment Budget Report submitted to Council and IDP and Budget Steering Committee Council resolution 2. Draft 2024/2025 budget Report submitted to Council and IDP and Budget Steering Committee 3. Council resolutions & Attendance Registers 4. Final 2024/2025 Budget Report submitted to Council and IDP and Budget Steering Committee
						0		OPEX					
BTO 3	To manage financial resources effectively and efficiently for improved service delivery by 30 June 2026	Development of Budget and Treasury reports	Number of Section 71 and Section 66 reports submitted	12 Section 71 and 12 Section 66 reports submitted to Finance Committee and Treasury departments within 10 working days after the end of each month	12 Section 71 and 12 Section 66 reports produced and submitted to Finance Committee and treasury office within 10 working days after the end of each month	Target Achieved. 12 Section 71 and 12 Section 66 reports produced and submitted to Finance Committee and treasury office within 10 working days after the end of each month	12	Target Achieved. 12 Section 71 and 12 Section 66 Reports submitted.	N/A	N/A	BTO	Opex	Section 71 and 66 reports 1. Revenue Report 2. Expenditure Report 3. Cash Coverage Ratio Report 4. SCM Implementation Report 5. Proof of submission to Committee Officer 6. Assets Management Report
						0		OPEX					
BTO 6	To procure goods and services in a manner that is fair, competitive for effective service delivery by 30 June 2026	Development of the Procurement plan	Number of procurement plans approved	1 2023/2024 consolidated procurement plan developed and submitted to Council with Budget.	1 2023/2024 Consolidated Procurement Plan developed	Target Achieved. 1 2023/2024 consolidated procurement plan developed and submitted to Council with Budget	2	Target Achieved. 1) 1 Draft Procurement Plan noted by Council 2) Final procurement plan prepared and approved by Council.	N/A	N/A	BTO	Opex	1. 2024/2025 Draft procurement plan 2. Council Resolution 2024/2025 3. Final procurement plan 4. Council Resolution
						0		OPEX					
BTO 8	To manage municipal expenditure to maximize financial viability by 30 June 2026	Adherence to Creditors Payment schedule	Percentage of creditors paid within 30 days of submission of a valid invoice	100 Percent of creditors paid within 30 days of receiving valid invoice.	100% of creditors paid within 30 days of receiving invoice	Target Achieved. 100% of creditors paid within 30 days of receiving invoice	100%	Target Achieved, 100% of creditors were paid within 30 days.	N/A	N/A	BTO	Opex	1. Signed Creditors report
						0		OPEX					

BTO 9	To improve good governance and accountability by producing accurate financial reports 30 June 2026	Preparation of two sets of Financial Statements	Number of financial statements prepared and submitted to Internal Audit and Auditor General	2 financial statements prepared and submitted to Internal Audit and Auditor General	2 sets of financial statements prepared and submitted to Internal Audit and Auditor General	Target Achieved. 2 sets of financial statements prepared and submitted to Internal Audit and Auditor General	2	Target Achieved. 2 sets of financial statements was prepared and submitted to Internal Audit and Auditor General	N/A	N/A	BTO	NA	1. Signed AFS, Proof of submission to IA&AG. 2. Signed Interim Financial Statements and Proof of submission to IA
						R0		NA					
BTO 10	To improve revenue management for effective service delivery and financial viability by 30 June 2026	Revenue collection.	Percentage of revenue collected	77.36% of Revenue was collected in 2022/2023	72,00%	Target Achieved with Actual Revenue Collection Rate of 77.36%	67%of revenue collected	Target not achieved, 57,98% of revenue collected	7 months (August 2023 to February 2024) delay on billing and sending of invoices to debtors as a result of hard drives crash in the server which happened at the beginning of September and resulted on the loss of data from February to August 2023. Data recapturing process was completed in March 2024.	1. Inclusion of web-back up in the SLA for Finance Management System which would be monitored by ICT daily. 2. Appointment of Debt Collectors to assist with Debt Collection before the end of Q1 of 24/25 FY. 3. Introduction of Incentive scheme in order to improve collection rate. 4. Implementation of Turn Around Strategy in order to improve collection rate.	BTO	OPEX	1. Debtors collection report
BTO 13	To improve service delivery by providing basic needs by 30 June 2026	Provision of free basic electricity (Indigent support) to Indigent people	Number of indigent households provided with FBE	699 of indigent households provided with FBE	444	Target Achieved. 699 of Indigent Households provided with FBE	600 households provided with FBE	Target Achieved, 626 households provided with FBE	More Indigents registered after the approval of the SDBIP.	N/A	BTO	OPEX	1.Approved FBE Report
						499484		0					
BTO16	To manage financial resources effectively and efficiently for improved service delivery by 30 June 2026	Management of financial resources to ensure sustainability for service delivery.	Number of months for cash/cost coverage	6.48 months cash coverage ratio	6	Target Achieved. Actual Cash/Cost coverage ratio is 6.48 months	5 months cash coverage ratio	Target Achieved, 5.33 months cash coverage ratio achieved at the end of the year.	Ongoing good financial management decisions by the municipality.	N/A	BTO	OPEX	1.Signed cash/cost coverage report
								0					

BTO 17	To inculcate a culture of good governance compliance and effective internal controls by 30 June 2026	Implementation of AG's action plan in response to 2022/2023 Audit Report	Number of monitoring reports on the implementation of the AG's action plan presented to oversight structures	2 Monitoring reports on the implementation of AG's Action plan presented to Oversight Structures	100% of AG's findings addressed for 2021/2022 FY	Target achieved, 100% of AG's findings addressed for 2021/2022 financial year.	2	Target Achieved. 2 monitoring reports on the implementation of the AG's action plan presented to oversight structure (APAC).	N/A	N/A	BTO	NA	1.Progress Report on the implementation of 2022/23 2.Audit Action Plan 3.APAC minutes
NATIONAL KPA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION AND CROSS CUTTING INTERVENTIONS AND SPATIAL DEVELOPMENT PROVINCIAL GROWTH & DEVELOPMENT STRATEGY (PGDS) GOAL 6 : GOVERNANCE AND POLICY PROVINCIAL GROWTH & DEVELOPMENT STRATEGY (PGDS) GOAL 3 : HUMAN AND COMMUNITY DEVELOPMENT GENERAL KPI: The percentage of a municipality's capital budget actually spent on capital projects identified for a particular financial year in terms of municipality's integrated development plan BACK TO BASICS PILLAR 1: PUTTING PEOPLE FIRST BACK TO BASICS PILLAR 3: GOOD GOVERNANCE OFFICE OF THE MUNICIPAL MANAGER: 2023/2024 ANNUAL PERFORMANCE REPORT								2023/2024 ANNUAL ACTUAL PERFORMANCE					
IDP NO.	REVISED STRATEGIC OBJECTIVE	REVISED PROJECT	REVISED KEY PERFORMANCE INDICATORS	BASELINE	2022/2023 ANNUAL TARGET	2022/2023 ACTUAL PERFORMANCE	2023/2024 ANNUAL TARGET	2023/2024 ACTUAL PERFORMANCE	REASONS FOR VARIANCES	CORRECTIVE MEASURES	RESPONSIBLE DEPARTMENT	REVISED ANNUAL BUDGET	PORTFOLIO OF EVIDENCE
								BUDGET ACTUALS					
OMM 1	To review and develop a multi-year strategic plan that responds to the needs of the community by 30 June 2026	Review of 2024/25 IDP	Number of IDP reviews	1 IDP was developed and submitted to Council for approval on 30 May 2023	1 IDP reviewed developed and submitted to Council for approval by 31 May 2023	Target Achieved. 1 IDP was developed and submitted to Council for approval on 30 May 2022	1 (Draft 2024/25 IDP & Final 2024/25 IDP)	Target Achieved. 1) 01 Draft 2024/25 IDP was developed and submitted. 2) Final IDP for 2024/25 was submitted and reviewed	N/A	N/A	Strategic Support Services Unit	R890 000.00	1.Process Plan 2.Advert 3.Council Resolution 4.Attendance Register, IDP Roadshows Minutes and Agenda 5.Draft IDP Council Resolution 6.Proof of Submission and 7.Advert 8.Final IDP 9.Advert 10. Council Resolution and 11. Proof of Submission 12. Attendance registers and 13.Minutes of IDP Roadshows
						R432 543.95		R783 499.15				R783 499.15	
OMM 3	Prepare quarterly performance reports and submit to Council structures by 30 June 2026	Preparing of quarterly performance reports to Council oversight structures	Number of Performance reports submitted to Oversight Structures.	4 performance report submitted to APAC& Council in 2022/23	4 Performance reports submitted to APAC & Council (quarterly, mid-year and Annual Report)	Target Achieved. 04 performance reports were submitted to APAC & Council (quarterly, mid-year and Annual Report	4	Target Achieved, 04 Performance reports was submitted to Oversight Structures.	NA	NA	Strategic Support Services Unit	Operational	1.2022/2023 APR 2.Proof of Submission to AG &Cogta 3.2023/2024 First Quarter Performance Report 4.Council Resolution 5.2023/2024 Q2 &Mid-year Performance Report 6. Council Resolution 2022/23 Annual Report & Oversight Report 7. Proof of Submission to COGTA, AG, Treasury 8. Third Quarter Performance Report 9. Council Resolution
						0		0				0	

OMM 4	To inculcate a culture of good governance, compliance and effective internal controls by 30 June 2026	Risk Management	Number of risk registers developed and monitored	04 risk registers developed and monitored.	4	Target Achieved. 04 Risk Registers developed and monitored	Develop 1 Risk Register & conduct 4 quarterly risk management follow-ups	Target achieved. 01 Risk Register developed and 04 quarterly risk management follow ups were conducted.	NA	NA	Internal Audit Unit	R51 300	1. Updated risk register 2. Summary report on progress made on risk management 3. Consolidated 2024-25 Risk Register
						0		R9 300			0	R9 300	
OMM 5	To inculcate a culture of good governance, compliance and effective internal controls by 30 June 2026	Implementation of the Internal audit plan	Number of progress reports on implementation of the internal audit plan submitted to oversight structures	02 Quarterly progress reports on implementation of the Internal audit plan were presented to oversight structures	4	Target not achieved. 02 quarterly progress reports on implementation of the internal audit plan were presented to oversight structures		Target achieved, 4 progress reports on the status on implementation of Internal Audit Plan were submitted and presented to Oversight Structures.	NA	NA	Internal Audit Unit	Operational	1. Status of implementation of Internal Audit Action Plan APAC 2. Attendance register 3. Agenda
						290228		0					
OMM 6	To inculcate a culture of good governance, compliance and effective internal controls by 30 June 2026	Implementation of the Anti-Fraud and Anti-Corruption strategy	Number of reports on the implementation of the Anti-fraud and Anti-Corruption strategy	02 Quarterly reports on implementation of the Anti-Fraud and Anti-Corruption strategy were submitted to Manco and Risk Management Committee	2	Target Achieved. 02 Quarterly reports on implementation of the Anti-Fraud and Anti-Fraud Corruption strategy were submitted to Manco and Risk Management Committee		Target achieved. 4 reports on the implementation of the Anti-Fraud and Anti-Fraud Corruption strategy were submitted to Manco and Risk Management Committee	NA	NA	Internal Audit Unit	Operational	1. Signed reports on implementation of the Anti-Fraud and Anti-Corruption strategy 2. Photos 3. Attendance registers
						0		0					
OMM 7	To encourage participation of the local community in the affairs of the municipality by 30 June 2026	Coordinating Combined quarterly ward committee meetings	Number of combined quarterly ward committee meetings coordinated	4 combined quarterly Ward Committee meetings coordinated in 2021/2022	4	New Project		Target not Achieved, 03 combined quarterly ward committee meetings coordinated	The Combined quarterly ward committee meeting could not sit during Q3 of 2023/24 financial year due to a number of programmes from the Provincial and National Office that were hosted by the municipality.	The combined quarterly ward committee meetings have been included in the municipal calendar of meetings in order for it to be prioritized.	Public Participation Unit	R100 000	1. Agenda, 2. Minutes of the Meeting 3. Attendance Register
								R24 385 00				R24 385 00	
OMM 10	To inculcate a culture of good governance compliance and effective internal controls by 30 June 2026	Develop and monitor implementation of the AG's action plan	Number of monitoring reports on the implementation of the AG's action plan presented to oversight structures	2 Monitoring reports on the implementation of AG's Action plan presented to Oversight Structures	2	Target not achieved. 01 Monitoring reports on the implementation of AG's Action Plan were presented to Oversight Structures		Target achieved. 2 reports were tabled and presented to Oversight Structures.	NA	NA	Internal Audit Unit	Operational	1. Progress Report on the implementation of 2022/23 Audit Action Plan 2. APAC minutes 3. Attendance Register: APAC
								0					

OMM 11	To improve organisational performance for effective service delivery by 30 June 2026	Submission of Back to Basics reports	Number of Back to Basics reports submitted to COGTA	4 B2B reports Quarterly reports submitted to Cogta	4 quarterly back to basics reports submitted to COGTA	Target Achieved. 04 quarterly back to basics reports submitted to COGTA	4	Target Achieved, 04 Back to Basics reports submitted to Cogta	NA	NA	Strategic Support Services Unit	NA	1. Progress Reports on Back to Basics 2. Proof of Submission to COGTA
								0					
OMM 12	To inculcate a culture of good governance compliance and effective internal controls by 30 June 2026	Capital budget expenditure	Percentage of a municipality's annual capital budget actually spent on capital projects	88% of the municipality's annual capital budget actually spent on capital projects.	90%	Target not achieved. 88% of the municipality's annual capital budget actually spent on capital projects	90%	Target Achieved, 93% of percentage of a municipality's annual capital budget actually spent on capital projects	The additional 3% expenditure was as a result of the internal funded projects due to infrastructure being damaged by severe weather conditions.	NA	MM's Office	R84 661 187	1. Council Resolution noting the Quarterly Expenditure Report
						R82 129 417		R79 119 332.08					
NATIONAL KPA 6: CROSS CUTTING INTERVENTIONS AND SPATIAL DEVELOPMENT								2023/2024 ANNUAL ACTUAL PERFORMANCE					
PROVINCIAL GROWTH AND DEVELOPMENT STRATEGY (PGDS) 5 ENVIRONMENTAL SUSTAINABILITY PROVINCIAL GROWTH & DEVELOPMENT STRATEGY GOAL 7: SPATIAL EQUITY													
GENERAL KPI:													
BACK 2 BASICS PILLAR 2: DELIVERING BASIC SERVICES													
DEVELOPMENT AND TOWN PLANNING SERVICES: 2023/2024 ANNUAL PERFORMANCE REPORT													
IDP NO.	REVISED STRATEGIC OBJECTIVE	PROJECT	KEY PERFORMANCE INDICATOR	BASELINE	2022/2023 ANNUAL TARGET	2022/2023 ACTUAL PERFORMANCE	2023/2024 ANNUAL TARGET	2023/2024 ACTUAL PERFORMANCE	REASONS FOR VARIANCES	CORRECTIVE MEASURES	RESPONSIBLE DEPARTMENT	REVISED ANNUAL BUDGET	PORTFOLIO OF EVIDENCE
								BUDGET ACTUALS					
DTPS 01	To improve and optimize land usage by 30 June 2026	Review of Spatial Development Framework	Number of Spatial Development Frameworks reviewed	Reviewed 2022/2023 Spatial Development Framework	1 Spatial Development Framework Reviewed	Target Achieved. 1 Spatial Development Framework Reviewed	1 Spatial Development Framework Reviewed	Target achieved, 1 Final SDF was reviewed.	N/A	N/A	Development and Town Planning	Operational	1 Inception Report 2. Status Quo Report 3. Draft SDF 4. Council Resolution for noting Draft SDF 5. Final SDF 6. Council resolution for Adoption of Final SDF
						R573 815. 41		0		0			
DTPS 02		Creighton Subdivision Layout Plan Phase 1	Percentage of General plans submitted to Surveyor General for approval	1 Inception and 1 Status Quo Reports developed in 2021/2022	1 Final Sub-Division Layout plan	Target achieved, Final Subdivision Layout was developed	100% of general plans submitted to Surveyor General for Approval (Creighton Sub-division Layout Phase 1)	Target achieved, 100% general plans submitted to Surveyor General for approval (Creighton Sub-division Layout Phase 1)	N/A	N/A	Development and Town Planning	R410 000	1. Applications Register 2. Proof of Advert and Site Notice 3. Record of decision 4. Survey Report
						R567 799.13		R137 711.78				R137 711.78	
DTPS 03		Formalization of Khenana Area (Bulwer)	Number of applications submitted to Municipal Planning Tribunal	General Plans submitted to the Surveyor General	1 Final Subdivision Layout Plan	Target Achieved, 1 Final Subdivision of Layout plan was developed for the formalization of Khenana Area in Bulwer	1 application submitted to Municipal Planning Tribunal for Khenana Area (Bulwer)	Target achieved, 01 application was submitted to MPT	N/A	N/A	Development and Town Planning	R100 000	1. Applications Register 2. Proof of Advert and Site Notice 3. Record of decision

						R573 815.41		R63 944.00		0		R63 944.00	
DTPS 04		Land Development Management	Percentage of Land Development Applications processed within 60 days from the closing date of comments or confirmation that the application is complete in line with SPLUMA	100% of Land Development Applications processed within 60 days from closing date of comments or confirmation that the application is complete in line with SPLUMA in 2022/2023 Financial Year	100% of Land Development Applications processed within 60 days from receipt of comments or confirmation that the application is complete and in line with SPLUMA	Target Achieved. 100% of land development Applications were processed within 60 days from the closing date of comments or confirmation that the application is complete	100 % of Land Development Applications processed within 60 days from receipt of comments or confirmation that the application is complete and in line with SPLUMA	Target achieved, 100% of land development applications were processed within 60 days from closing date of comments or confirmation that the application is complete	N/A	N/A	Development and Town Planning	Opex	1. Signed Land Development Register 2. Applications Register
			complete in line with SPLUMA	with SPLUMA in 2022/2023 Financial Year	SPLUMA								
						0%		R0		R0			
DTPS 05		Approval of Building Plans	Turn-around time and percentage of building plans processed in line with NBR	100 % of Building plans approved within 30/60 days from the date of receipt in 2022/2023 Financial Year	Turn-around time and percentage of building plans processed within 30/60 days from the date of receipt	Target Achieved. 100% of building plans were processed within 30/60 days from the date of receipt	Turn-around time and percentage of building plans processed in line with NBR	Target achieved, 100% of building plans were processed within 30/60 days from the date of receipt	N/A	N/A	Development and Town Planning	Opex	1. Building Plans Register with actual date for receipt and approval
								0		0			
DTPS 06		Review of Underberg Precinct Plan	Number of reports developed for Underberg Precinct Plan	New Project	New Project	New Project	1 Status quo report developed for Underberg Precinct Plan	Target achieved, 01 Status Quo Report was developed	N/A	N/A	Development and Town Planning	R458 000	1. Terms of Reference 2. Appointment Letter 3. Inception Report 4. Status Quo Report
								R104 770.02				R104 770.02	

DTPS 07	To promote and support Local Economic Development through capacity building, forming of partnerships, co-operatives support with Materials and Equipment by 30 June 2026	Training and Skills Empowerment of Emerging Enterprises: in the Agriculture, Block Manufacturing, Fashion Design, Informal Trade and Tourism And Support Youth Projects	Number of Emerging Enterprise's trainings conducted on various skills	10 Emerging Enterprises were trained on various skills in 2022/2023 financial year	9	Target not achieved, 06 Training programmes were conducted for skills development of emerging farmers	09 Skills Trainings Sessions conducted for Emerging Enterprises and individuals in the various sectors of the local economy.	Target Not Achieved. 2 Trainings were conducted	Service Providers did not respond to the advert for these training sessions. This happened despite the fact that SCM Unit sent the advert and documents directly to Service Providers.	In order to achieve this target, the department is in the process of establishing an MoU with the local TVET colleges to conduct skills training. An email was written with the proposal document to the TVET colleges.	DTPS - LED & Tourism	R330 000	1. Attendance Register. 2. Signed Closeout Report 3. Training Manual
								R154 783.00		0		R154 783.00	
DTPS 08	To promote and support Local Economic Development through capacity building, forming of partnerships, co-operatives support with Materials and Equipment by 30 June 2026	Material and Equipment Support to Emerging Enterprises: Coops, Crafters, & SMMEs.	Number of SMMEs and Coops supported with material and equipment	0 SMMEs and Cooperatives were supported with material and equipment in 2022/2023	30 SMMEs and Cooperatives supported with material/ Equipment	Target Not Achieved, 0 SMMEs, Co-operatives and Individuals were supported with material and equipment	40 businesses supported with material and equipment	Target Achieved, 44 businesses supported with material and equipment	The over-achievements is as a results of support received from external stakeholders i.e. the District Development Agency as well as the EDTAEA	N/A	DTPS - LED & Tourism	R1 950 000,00	1. Report on Evaluation of requests 2. attendance register 3. proof of submission of requests to SCM 4. Delivery Note 5. beneficiaries register
								R665 430.50			R665 430.50		

Table 116



AUDITOR - GENERAL
SOUTH AFRICA

AUDIT REPORT

Dr Nkosazana Dlamini Zuma

Local Municipality

2023-24



Report of the auditor-general to the KwaZulu-Natal Provincial Legislature and the council on Dr Nkosazana Dlamini Zuma Local Municipality

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of the Dr Nkosazana Dlamini Zuma Local Municipality set out on pages 301 to 347, which comprise the statement of financial position as at 30 June 2024, the statement of financial performance, statement of changes in net assets, cash flow statement and the statement of comparison of budget and actual amounts for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Dr Nkosazana Dlamini Zuma Local Municipality as at 30 June 2024 and its financial performance and cash flows for the year then ended in accordance with the Standards of Generally Recognised Accounting Practice (GRAP), the requirements of the Municipal Finance Management Act 56 of 2003 (MFMA) and the Division of Revenue Act 5 of 2023 (Dora).

Basis for opinion

3. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the responsibilities of the auditor-general for the audit of the financial statements section of my report.
4. I am independent of the municipality in accordance with the International Ethics Standards Board for Accountants' *International code of ethics for professional accountants (including International Independence Standards)* (IESBA code) as well as other ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of matters

6. I draw attention to the matters below. My opinion is not modified in respect of these matters.

Restatement of corresponding figures

7. As disclosed in note 44 to the financial statements, the corresponding figures for 30 June 2023 were restated as a result of errors in the financial statements of the municipality at, and for the year ended, 30 June 2024.

Material impairments – Receivables from non-exchange transactions

8. As disclosed in note 3.1 to the financial statements, the municipality recognised an allowance for impairment of R53,10 million (2022-23: R32,21 million) as the recoverability of these debts was doubtful.

Material impairments – Receivables from exchange transactions

9. As disclosed in note 3.2 to the financial statements, the municipality recognised as allowance for impairment of R11,54 million (2022-23: R9,57 million) as the recoverability of these debts was doubtful.

Other matter

10. I draw attention to the matter below. My opinion is not modified in respect of this matter.

Unaudited disclosure notes

11. In terms of section 125(2)(e) of the MFMA, the particulars of non-compliance with the MFMA should be disclosed in the financial statements. This disclosure requirement did not form part of the audit of the financial statements and, accordingly, I do not express an opinion on it.

Responsibilities of the accounting officer for the financial statements

12. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the GRAP and the requirements of the MFMA and Dora; and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
13. In preparing the financial statements, the accounting officer is responsible for assessing the municipality's ability to continue as a going concern; disclosing, as applicable, matters relating to going concern; and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the municipality or to cease operations, or has no realistic alternative but to do so.

Responsibilities of the auditor-general for the audit of the financial statements

14. My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error; and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

15. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report. This description, which is located at page 293, forms part of our auditor's report.

Report on the audit of the annual performance report

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

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

Key performance area	Page numbers	Purpose
<p>Basic service delivery and infrastructure development</p>	<p>271-276</p>	<p>The Public Works and Basic Services (PWBS) Department is responsible for the development and implementation of processes, systems and strategies designed to procure and sustain infrastructural capacity required by the Municipality in its quest to provide quality services to the community as well as ensuring that resources at the Municipality's disposal are equitably distributed to all areas of operation to enhance service delivery to benefit the people.</p>

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

19. I performed procedures to test whether:

- the indicators used for planning and reporting on performance can be linked directly to the municipality's mandate and the achievement of its planned objectives
- all the indicators relevant for measuring the municipality's performance against its primary mandated and prioritised functions and planned objectives are included
- the indicators are well defined to ensure that they are easy to understand and can be applied consistently, as well as verifiable so that I can confirm the methods and processes to be used for measuring achievements

- the targets can be linked directly to the achievement of the indicators and are specific, time bound and measurable to ensure that it is easy to understand what should be delivered and by when, the required level of performance as well as how performance will be evaluated
- the indicators and targets reported on in the annual performance report are the same as those committed to in the approved initial or revised planning documents
- the reported performance information is presented in the annual performance report in the prescribed manner and is comparable and understandable.
- there is adequate supporting evidence for the achievements reported and for measures taken to improve performance.

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

21. The material findings on the reported performance information for the selected key performance area are as follows:

Basic service delivery and infrastructure development

Number of households with access to solid waste removal

22. An achievement of 1 237 was reported against a target of 1 216. However, the audit evidence did not support this achievement. I could not determine the actual achievement, but I estimated it to be materially less than reported. Consequently, it is likely that the target was not achieved.

Number of municipal towns infrastructure upgraded to enhance economic development

23. An achievement of 2 was reported against a target of 3. I could not determine whether the reported achievement was correct, as the indicator was not well defined, and I could not verify the methods and processes used to measure the achievements. Consequently, the reported achievement might be more or less than reported and was not reliable for determining if the target has been achieved.

Other matters

24. I draw attention to the matters below.

Achievement of planned targets

25. The annual performance report includes information on reported achievements against planned targets and provides measures taken to improve performance. This information should be considered in the context of the material findings on the reported performance information.

26. The table that follows 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 271 to 276.

Basic service delivery and infrastructure development

<i>Targets achieved: 86%</i> <i>Budget spent: 91%</i>		
Key indicator not achieved	Planned target	Reported achievement
Number of kilometres of gravel roads steep hills upgraded to concrete surface.	0,3 kms	0 kms
Number of municipal towns infrastructure upgraded to enhance economic development	3	2
Number of community halls constructed	2	1

Material misstatements

27. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were in the reported performance information for basic service delivery and infrastructure development key performance area. Management did not correct the misstatements and I reported material findings in this regard.

Report on compliance with legislation

28. In accordance with the PAA and the general notice issued in terms thereof, I must audit and report on compliance with applicable legislation relating to financial matters, financial management and other related matters. The accounting officer is responsible for the municipality's compliance with legislation.
29. I performed procedures to test compliance with selected requirements in key legislation in accordance with the findings engagement methodology of the Auditor-General of South Africa (AGSA). This engagement is not an assurance engagement. Accordingly, I do not express an assurance opinion or conclusion.
30. Through an established AGSA process, I selected requirements in key legislation for compliance testing that are relevant to the financial and performance management of the municipality, clear to allow consistent measurement and evaluation, while also sufficiently detailed and readily available to report in an understandable manner. The selected legislative requirements are included in the annexure to this auditor's report.
31. The material findings on compliance with the selected legislative requirements, presented per compliance theme, are as follows:

Annual financial statements

32. The financial statements submitted for auditing were not fully prepared in all material respects in accordance with the requirements of section 122(1) of the MFMA. Material misstatements of current assets and disclosure items identified by the auditors in the submitted financial statements were subsequently corrected, resulting in the financial statements receiving an unqualified audit opinion.

Other information in the annual report

33. The accounting officer is responsible for the other information included in the annual report. The other information referred to does not include the financial statements, the auditor's report and the selected key performance area presented in the annual performance report that has been specifically reported on in this auditor's report.
34. My opinion on the financial statements, the report on the audit of the annual performance report and the report on compliance with legislation do not cover the other information included in the annual report and I do not express an audit opinion or any form of assurance conclusion on it.
35. My responsibility is to read this other information and, in doing so, consider whether it is materially inconsistent with the financial statements and the selected key performance area presented in the annual performance report or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
36. I did not receive the other information prior to the date of this auditor's report. When I do receive and read this information, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary.

Internal control deficiencies

37. 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.
38. The matters reported below are limited to the significant internal control deficiencies that resulted in the material findings on the annual performance report and the material findings on compliance with legislation included in this report.
39. Management did not adequately review the Service delivery budget implementation plan to ensure that the indicators and the targets contained therein are well-defined and processes are in place to ensure that the reported performance is reliable. Moreover, leadership did not implement effective oversight over performance reporting and compliance with applicable legislation, which resulted in material findings on the annual performance report as well as compliance with legislation.

40. Management did not implement adequate review procedures and reconciliations of the annual financial statements to ensure that they are supported by adequate underlying records and that they adhere to the requirements of the GRAP.

Auditor General

Pietermaritzburg

30 November 2024



AUDITOR - GENERAL
SOUTH AFRICA

Auditing to build public confidence

Annexure to the auditor's report

The annexure includes the following:

- The auditor-general's responsibility for the audit
- The selected legislative requirements for compliance testing

Auditor-general's responsibility for the audit

Professional judgement and professional scepticism

As part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional scepticism throughout my audit of the financial statements and the procedures performed on reported performance information for the selected key performance area and on the municipality's compliance with selected requirements in key legislation.

Financial statements

In addition to my responsibility for the audit of the financial statements as described in this auditor's report, I also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the municipality's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made
- conclude on the appropriateness of the use of the going concern basis of accounting in the preparation of the financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists relating to events or conditions that may cast significant doubt on the ability of the municipality to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify my opinion on the financial statements. My conclusions are based on the information available to me at the date of this auditor's report. However, future events or conditions may cause a municipality to cease operating as a going concern
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Communication with those charged with governance

I communicate with the accounting officer regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide the accounting officer with a statement that I have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on my independence and, where applicable, actions taken to eliminate threats or safeguards applied.

Compliance with legislation – selected legislative requirements

The selected legislative requirements are as follows:

Legislation	Sections or regulations
Legislation	Sections or regulations
Municipal Finance Management Act 56 of 2003	Sections: 1, 11(1), 13(2), 14(1), 14(2)(a & b), 15, 24(2)(c)(iv), 28(1), 29(1), 29(2)(b), 32(2), 32(2)(a), 32(2)(a)(i), 32(2)(a)(ii), 32(2)(b), 32(6)(a), 32(7), Sections: 53(1)(c)(ii), 54(1)(c), 62(1)(d), 63(2)(a), 63(2)(c), 64(2)(b), 64(2)(c), 64(2)(e), 64(2)(f), 64(2)(g), 65(2)(a), 65(2)(b), 65(2)(e), 72(1)(a)(ii), Sections: 112(1)(j), 116(2)(b), 116(2)(c)(ii), 117, 122(1), 122(2), 126(1)(a), 126(1)(b), 127(2), 127(5)(a)(i), 127(5)(a)(ii), 129(1), 129(3), 133(1)(a), 133(1)(c)(i), 133(1)(c)(ii), 170, 171(4)(a), 171(4)(b)
MFMA: Municipal budget and reporting regulations, 2009	Regulations: 71(1)(a), 71(1)(a & b), 71(2)(a & b), 71(2)(d), 72(a, b & c)
MFMA: Municipal Investment Regulations, 2005	Regulations: 3(1)(a), 3(3), 6, 7, 12(2), 12(3)
MFMA: Municipal Regulations on Financial Misconduct Procedures and Criminal Proceedings, 2014	Regulations: 5(4), 6(8)(a), 6(8)(b), 10(1)
MFMA: Municipal Supply Chain Management Regulations, 2017	Regulations: 5, 12(1)(c), 12(3), 13(b), 13(c), 16(a), 17(1)(a), 17(1)(b), 17(1)(c), 19(a), 21(b), 22(1)(b)(i), 22(2), 27(2)(a), 27(2)(e), 28(1)(a)(i), 29(1)(a), 29(1)(b), 29(5)(a)(ii), 29(5)(b)(ii), Regulations: 32, 36(1), 36(1)(a), 38(1)(c), 38(1)(d)(ii), 38(1)(e), 38(1)(g)(i), 38(1)(g)(ii), 38(1)(g)(iii), 43, 44, 46(2)(e), 46(2)(f)
Construction Industry Development Board Act 38 of 2000	Section: 18(1)
Construction Industry Development Board Regulations, 2004	Regulations: 17, 25(7A)
Division of Revenue Act	Sections: 11(6)(b), 12(5), 16(1); 16(3)
Municipal Property Rates Act 6 of 2004	Section: 3(1)
Municipal Systems Act 32 of 2000	Sections: 25(1), 26(a), 26(c), 26(h), 26(i), 29(1)(b)(ii), 34(a & b), 38(a), 41(1)(a & b), 41(1)(c)(ii), 42, 43(2), Sections: 54A(1)(a), 56(1)(a), 57(2)(a), 57(6)(a), 66(1)(a), 66(1)(b), 67(1)(d), 74(1), 96(b)
MSA: Disciplinary Regulations for Senior Managers, 2011	Regulations: 5(2), 5(3), 5(6), 8(4)
MSA: Municipal Planning and Performance Management Regulations, 2001	Regulations: 2(1)(e), 2(3)(a), 3(3), 3(4)(b), 7(1), 8, 9(1)(a), 10(a), 12(1), 15(1)(a)(i) & (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)
MSA: Municipal Staff Regulations	Regulations: 7(1),31
Prevention and Combating of Corrupt Activities Act 12 of 2004	Section: 34(1)
Preferential Procurement Policy Framework Act 5 of 2000	Sections: 2(1)(a), 2(1)(f)
Preferential Procurement Regulations, 2017	Regulations: 4(1), 4(2), 5(1), 5(3), 5(6), 5(7), 6(1), 6(2), 6(3), 6(6), 6(8), 7(1), 7(2), 7(3), 7(6), 7(8), 8(2), 8(5), 9(1), 10(1), 10(2), 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)



Dr Nkosazana Dlamini Zuma Local Municipality
Annual Financial Statements
for the year ended 30 June 2024

Dr Nkosazana Dlamini Zuma Local Municipality
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Abbreviations

GRAP	Generally Recognised Accounting Practice
HOA	Housing Operating Account
MFMA	Municipal Finance Management Act, No.56 of 2003
MIG	Municipal Infrastructure Grant
FMG	Finance Management Grant
mSCOA	Municipal Standard Chart of Accounts
AGSA	Auditor General of South Africa
SARS	South African Revenue Services
SDL	Skills Development Levy
UIF	Unemployment Insurance Fund
PAYE	Pay As You Earn
IGRAP	Interpretation of Generally Recognised Accounting Practice
Legal form of entity	Municipality in terms of section 1 of the Local Government: Municipal Structures Act (Act 117 of 1998) read with section 155 (1) of the Constitution of the Republic of South Africa (Act 108 of 1996).
Legislation governing the municipality's operations	Constitution of the Republic of South Africa (Act 108 of 1998) Local Government: Municipal Finance Management Act (Act 56 of 2003) Local Government: Municipal Systems Act (Act 32 of 2000) Local Government: Municipal Structures Act (Act 117 of 1998) Municipal Property Rates Act (Act of 6 2004) Division of Revenue Act (Act 1 of 2007)

Dr Nkosazana Dlamini Zuma Local Municipality

Annual financial statements for the year ended 30 June 2024

General Information**Members of Council**

Mayor	Cllr PS Msomi
Deputy Mayor	Cllr KA Hadebe
Speaker	Cllr SS Phoswa
Exco Member	Cllr HS Mlibeni
Exco Member	Cllr NG Dlamini
Exco Member	Cllr RS Mlotshwa
Chief Whip	VAT Mthembu
Councillor	X Zamisa
Councillor	MW Mtolo
Councillor	DA Adams
Councillor	MTC Bhengu
Councillor	DR Ngcamu
Councillor	SJ Phakathi
Councillor	BB Ntshiza
Councillor	BR Memela
Councillor	PK Memela
Councillor	P Mayeza (Termination date - 14/02/2024)
Councillor	Z Ndlovu (Termination date - 14/02/2024)
Councillor	MP Mbanjwa (Termination date - 14/02/2024)
Councillor	TE Mdladla
Councillor	N Dlamini
Councillor	RC Aldous-Trollope
Councillor	SG Mkhize
Councillor	NC Dlamini
Councillor	PN Mdlangathi
Councillor	BB Khathi
Councillor	IT Shoba
Councillor	NP Zulu
Councillor	MM Dlamini
Councillor	TF Dumakude (Commencement date - 07/03/2024)
Councillor	N Zikode (Commencement date - 07/03/2024)
Councillor	ZL Zondi (Commencement date - 07/03/2024)

Nature of business and principle activities

Service Delivery: Rates, Waste Management and General services. Main business operations: Local government activities, planning and promotion of the integrated development plan, land, economic and environmental development. The mandate of the municipality is in terms of section 152 of the Constitution of South Africa.

Municipal demarcation code

KZN 436

Grading of local authority

3

Municipal Manager

Mr NC Vezi

Chief Financial Officer

Mr MP Mtungwa

Registered Office

Municipal Offices, Main Street, Creighton

Physical addressMain Street
Creighton
3263**Postal address**P O Box 62
Creighton
3263**Bankers**

First National Bank, Investec, ABSA, Nedbank and Standard Bank

Auditors

Auditor General of South Africa

Dr Nkosazana Dlamini Zuma Local Municipality

Annual financial statements for the year ended 30 June 2024

Accounting Officer's Responsibilities and Approval

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

The annual financial statements have been prepared in accordance with Standards of Generally Recognised Accounting Practice (GRAP) including any interpretations, guidelines and directives issued by the Accounting Standards Board.

The financial statements are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

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

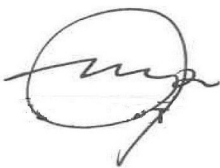
I am of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial control can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

I certify that salaries, allowances and benefits of councillors, as disclosed in note number 25 of the annual financial statements are within the upper limits of the framework envisaged in section 219 of the Constitution, read in conjunction with the Remuneration of Public Office Bearers Act and the Minister of Provincial and Local Government's determination in accordance with this Act.

I have reviewed the municipality's cash flow forecast for the period ending to 30 June 2025 and, in the light of this review and the current financial position, I am satisfied that the municipality has access to adequate resources to continue in operational existence for the foreseeable future.

The municipality has implemented National Treasury's Municipal Standard Chart of Accounts. The new chart is designed to enhance comparability between municipalities and therefore results in information disclosed being more understandable, relevant, reliable and comparable. Due to the implementation of the revised chart, certain comparative figures may need restatement to allow a comparison between the current period figures and the prior year's figures that were presented based on the old municipal chart of accounts.

The annual financial statements have been prepared on the going concern basis, were approved on 31 August 2024 and were signed on its behalf by:



Mr NC Zezi (Accounting Officer), Bachelor of Education, Executive Municipal Leadership Programme, Specialist Local Government Law and Municipal Administration, Postgraduate Diploma in Governance and Political Transformation, Masters in Public Administration, Masters in Governance and Political Transformation

Dr Nkosazana Dlamini Zuma Local Municipality
Annual financial statements for the year ended 30 June 2024

Statement of Financial Position as at 30 June 2024

	Note	2024 R	2023 R
ASSETS			
Current Assets			
Receivables from non-exchange transactions	3.1	56,081,532	53,855,939
Receivables from exchange transactions	3.2	5,333,690	3,660,268
Cash and cash equivalents	4	139,435,415	159,255,744
		200,850,637	216,771,951
Non-Current Assets			
Investment property	5	30,302,000	19,732,000
Property, plant and equipment	6	538,681,794	513,888,428
Intangible assets	7	854,823	417,920
		569,838,617	534,038,348
Total Assets		770,689,254	750,810,299
LIABILITIES			
Current Liabilities			
Finance lease obligation	8	264,243	232,835
Payables from exchange transactions	9	49,345,366	45,679,073
Payables from non-exchange transactions	10	-	6,354,962
Long service awards obligation	11.2	428,000	630,000
Post retirement health care benefits	11.3	108,000	107,000
		50,145,609	53,003,870
Non Current Liabilities			
Finance lease obligation	8	120,408	384,651
Provision for landfill site rehabilitation	11.1	11,367,450	9,877,947
Long service awards obligation	11.2	3,783,000	3,328,000
Post retirement health care benefits	11.3	8,076,000	6,918,000
		23,346,858	20,508,597
Total Liabilities		73,492,467	73,512,467
Net Assets		697,196,788	677,297,832
TOTAL NET ASSETS			
Housing operating account	12	6,228,239	6,830,756
Accumulated surplus		690,968,548	670,467,075
Total Net Assets		697,196,788	677,297,832

Dr Nkosazana Dlamini Zuma Local Municipality

Annual financial statements for the year ended 30 June 2024

Statement of Financial Performance for the period ended 30 June 2024

	Note	2024 R	2023 R
Revenue	13		
<i>Revenue from exchange transactions</i>			
Service charges	14	4,378,912	4,197,040
Licences and permits	15	512,125	416,854
Agency services	16	609,274	634,719
Rental of facilities and equipment	17	2,353,721	1,305,819
Other income	18	1,899,991	745,161
Contract revenue	43	6,575,466	7,349,565
Interest received	19	15,970,079	14,179,386
Gain on disposal of assets		-	1,654,175
<i>Total revenue from exchange transactions</i>		32,299,567	30,482,719
<i>Revenue from non exchange transactions</i>			
Property rates	20	42,391,594	41,073,513
Penalties on property rates	20	7,674,329	6,469,455
Government grants and subsidies	21	202,952,905	197,542,096
Assets donated	22	0	31,442
Traffic fines		337,200	548,750
Pound Fees		407,633	429,666
Incidental Cash Surpluses	23	162,716	47,140
<i>Total revenue from non exchange transactions</i>		253,926,377	246,142,062
Total revenue		286,225,945	276,624,781
Expenditure			
Employee related costs	24	91,106,893	79,918,912
Remuneration of councillors	25	12,497,840	11,578,369
Depreciation, impairment and amortisation	26	48,554,513	45,220,178
Finance costs	27	2,412,236	2,279,910
Debt impairment	28	24,338,908	1,256,790
Operational Costs	29	97,986,600	89,886,610
Total expenditure		276,896,989	230,140,769
Total revenue		286,225,945	276,624,781
Total expenditure		276,896,989	230,140,769
Operating surplus		9,328,955	46,484,013
Fair value adjustments	5	10,570,000	782,000
		10,570,000	782,000
Surplus for the year		19,898,955	47,266,013

Dr Nkosazana Dlamini Zuma Local Municipality

Annual financial statements for the year ended 30 June 2024

Statement of Changes in Net Assets for the period ended 30 June 2024

	Note	Housing Operating Account	Accumulated Surplus	Net Assets
		R	R	R
Balance at 1 July 2022		6,015,292	624,016,527	630,031,819
Changes in net assets				
Surplus for the period		-	47,266,013	47,266,013
Transfer Housing Operating Account interest on call	12	815,465	(815,465)	-
Total changes		815,465	46,450,548	47,266,013
Balance at 30 June 2023		6,830,756	670,467,075	677,297,832
Changes in net assets				
Surplus for the period			19,898,955	19,898,955
Transfer Housing Operating Account interest on call	12	578,643	(578,643)	-
Transfer Housing Operating Account expenditure incurred		(1,181,160)	1,181,160	-
Total changes		(602,517)	20,501,473	19,898,955
Balance at 30 June 2024		6,228,239	690,968,548	697,196,787

Dr Nkosazana Dlamini Zuma Local Municipality
Annual financial statements for the year ended 30 June 2024

Cash Flow Statement for the period ended 30 June 2024

	Note	2024 R	2023 R
Cash flows from operating activities			
Receipts		236,568,045	235,149,548
Cash receipts from taxes, levies and fines		26,682,678	27,682,030
Cash receipts from charges for goods and services		3,734,180	4,504,921
Cash receipts from royalties, fees, commissions and other revenue		2,391,259	2,623,352
Cash receipts from grants or transfers and other appropriations		196,597,943	192,873,001
Cash receipts from insurance entity		586,520	116,679
cash receipts from contracts		6,575,466	7,349,565
Payments		(199,372,076)	(196,452,222)
Cash payments to and on behalf of employees and Councillors		(103,347,297)	(92,823,693)
Cash payments to suppliers for goods and services;		(86,975,892)	(93,565,216)
Cash payments of an insurance entity for premiums		(2,473,421)	(2,713,748)
cash payments for contracts held		(6,575,466)	(7,349,565)
Net cash flows from operating activities before interest	30	37,195,970	38,697,327
Interest received		16,025,900	20,747,458
Interest paid		(70,172)	(78,051)
Net cash flows from operating activities after interest		53,151,698	59,366,733
Cash flows from investing activities			
Cash payments to acquire property, plant assets		(71,479,680)	(83,693,615)
Cash payments to acquire intangibles		(1,259,513)	(444,053)
Cash receipts from sales of property, plant and equipment assets		-	2,732,113
Cash receipts from sales of Investment property assets		-	1,182,487
Net cash flows from investing activities		(72,739,193)	(80,223,068)
Cash flows from financing activities			
Cash payments for the reduction of finance lease		(232,835)	(122,879)
Net cash flows from financing activities		(232,835)	(122,879)
Net increase/(decrease) in cash and cash equivalents		(19,820,330)	(20,979,214)
Net cash and cash equivalents at the beginning of the period		159,255,744	180,234,959
Net cash and cash equivalents at the end of the period	4	139,435,415	159,255,744

Dr Nkosazana Dlamini Zuma Local Municipality
Annual financial statements for the year ended 30 June 2024

Segment reporting statement for the period ended 30 June 2024

	Governance and administration	Community and public safety	Economic and environmental services	Trading Services	Unallocated	Total
	R	R	R	R	R	
Segment Revenue						
Service charges				4,378,912		4,378,912
Licences and permits		512,125				512,125
Agency services		609,274				609,274
Rental of facilities and equipment		2,353,721				2,353,721
Contract revenue			6,575,466			6,575,466
Other income	1,534,027	3,199	137,418	225,347		1,899,991
Interest revenue	15,970,079					15,970,079
Gain on disposal of assets	-					-
External revenue from exchange transactions	17,504,106	3,478,319	6,712,883	4,604,259	-	32,299,567
Property rates	42,391,594					42,391,594
Penalties on property rates	7,674,329					7,674,329
Government grants and subsidies	166,951,905	4,169,000	31,832,000			202,952,905
Assets donated		-				-
Traffic fines		337,200				337,200
Pound Fees		407,633				407,633
Incidental Cash Surpluses	162,716					162,716
External revenue from non-exchange transactions	217,180,544	4,913,833	31,832,000	-	-	253,926,377
Segment Expenses						
Employee related costs	(34,458,908)	(23,048,573)	(26,728,297)	(6,871,115)	-	91,106,893
Remuneration of councillors	(12,497,840)	-	-	-	-	12,497,840
Depreciation, impairment and amortisation	(4,744,714)	(14,636,700)	(28,450,361)	(722,738)	-	48,554,514
Finance costs	(2,412,236)	-	-	-	-	2,412,236
Debt impairment	(24,338,908)	-	-	-	-	24,338,908
Operational Costs	(43,890,040)	(8,575,810)	(42,369,994)	(3,150,756)	-	(97,986,600)
Total segment expenses	(122,342,647)	(46,261,083)	(97,548,652)	(10,744,608)	-	(276,896,990)
Fair value adjustments	10,570,000	-	-	-	-	10,570,000
Surplus/deficit for the year	122,912,004	(37,868,931)	(59,003,769)	(6,140,349)	-	19,898,955
	Governance and administration	Community and public safety	Economic and environmental services	Trading Services	Unallocated	Total
Other Information						
Segment assets	135,523,538	283,910,900	202,070,171	9,749,230	139,435,415	770,689,254
Segment liabilities	(29,100,895)	(6,445,300)	(21,652,650)	(16,293,621)	-	(73,492,467)
Additions/(adjustment) to non-current assets	14,756,525	33,005,278	33,717,910	913,576	-	82,393,289
Non-cash revenue (included above)	-	-	-	-	-	-
Non-cash expenses (included above)	(29,083,622)	(14,636,700)	(28,450,361)	(722,738)	-	(72,893,422)

Dr Nkosazana Dlamini Zuma Local Municipality
Annual financial statements for the year ended 30 June 2024

Segment reporting statement for the period ended 30 June 2023

	Governance and administration	Community and public safety	Economic and environmental services	Trading Services	Unallocated	Total
	R	R	R	R	R	R
Segment Revenue						
Service charges	-	-	-	4,197,040	-	4,197,040
Licences and permits	-	416,854	-	-	-	416,854
Agency services	-	634,719	-	-	-	634,719
Rental of facilities and equipment	-	1,305,819	-	-	-	1,305,819
Contract revenue	-	-	7,349,565	-	-	7,349,565
Other income	432,372	3,743	168,253	140,792	-	745,160
Interest revenue	14,179,386	-	-	-	-	14,179,386
Gain on disposal of assets	1,654,175	-	-	-	-	1,654,175
External revenue from exchange transactions	16,265,933	2,361,135	7,517,818	4,337,832	-	30,482,718
Property rates	41,073,513	-	-	-	-	41,073,513
Penalties on property rates	6,469,455	-	-	-	-	6,469,455
Government grants and subsidies	154,416,000	38,234,001	4,892,095	-	-	197,542,096
Assets donated	-	31,442	-	-	-	31,442
Traffic fines	-	548,750	-	-	-	548,750
Pound Fees	-	429,666	-	-	-	429,666
Incidental Cash Surpluses	47,140	-	-	-	-	47,140
External revenue from non-exchange transactions	202,006,108	39,243,859	4,892,095	-	-	246,142,062
Segment Expenses						
Employee related costs	(29,846,662)	(23,288,123)	(19,674,785)	(7,109,342)	-	(79,918,912)
Remuneration of councillors	(11,578,369)	-	-	-	-	(11,578,369)
Depreciation, impairment and amortisation	(4,360,294)	(12,771,720)	(25,342,401)	(2,745,762)	-	(45,220,178)
Finance costs	(2,279,910)	-	-	-	-	(2,279,910)
Debt impairment	(1,256,790)	-	-	-	-	(1,256,790)
Operational Costs	(35,951,338)	(4,596,827)	(43,915,647)	(5,422,796)	-	(89,886,609)
Total segment expenses	(85,273,363)	(40,656,671)	(88,932,833)	(15,277,901)	-	(230,140,768)
Fair value adjustments	782,000	-	-	-	-	782,000
Surplus/deficit for the year	133,780,678	948,323	(76,522,920) 697,196,788	(10,940,069)	-	47,266,012
	Governance and administration	Community and public safety	Economic and environmental services	Trading Services	Unallocated	Total
Other Information						
Segment assets	126,803,626	266,168,623	189,442,318	9,139,977	159,255,744	750,810,300
Segment liabilities	(28,879,838)	(6,480,299)	(21,770,234)	(16,382,103)	-	(73,512,463)
Additions/(adjustment) to non-current assets	7,121,095	40,874,726	33,818,801	(486,795)	-	81,327,828
Non-cash revenue (included above)	-	31,442	-	-	-	31,442
Non-cash expenses (included above)	(4,360,294)	(12,771,720)	(25,342,401)	(2,745,762)	-	(45,220,178)

Dr Nkosazana Dlamini Zuma Local Municipality Annual financial statements for the year ended 30 June 2024							
Statement of Comparison of Budget and Actual amounts							
	Original Budget	Budget Adjustments	Final Budget	Actual	Difference between final budget and actual	Variance comments Ref No.	% Variance Between Final Budget & Actuals
	R	R	R	R	R		
Statement of Financial Performance							
Revenue							
Revenue from exchange transactions							
Service charges	4,421,331	-	4,421,331	4,378,912	(42,419)		-1%
Rental of facilities and equipment	1,509,218	-	1,509,218	2,353,721	844,503	1	56%
Licences and permits	406,341	2,000	408,341	512,125	103,784	2	25%
Agency services	687,970	-	687,970	609,274	(78,696)	3	-11%
Contract revenue		6,574,783	6,574,783	6,575,466	683		0%
Other income	767,901	590,593	1,358,494	1,899,991	541,497	20	40%
Interest received	11,491,036	3,786,854	15,277,890	15,970,079	692,189	4	5%
Gains on disposal of assets	2,488,000		2,488,000	-	(2,488,000)	5	-100%
Total revenue from exchange transactions	21,771,797	10,954,230	32,726,027	32,299,567	(426,460)		
Revenue from non-exchange transactions							
Property rates	45,404,434	-	45,404,434	42,391,594	(3,012,840)	6	-7%
Property rates - penalties	6,159,526	(3,575,287)	2,584,239	7,674,329	5,090,090	7	197%
Incidental cash surpluses, fines, penalties and forfeits (traffic fines & pound fees)	894,789		894,789	907,550	12,761		1%
Government grants and subsidies	202,422,000	530,905	202,952,905	202,952,905	-		-
Assets donated			-	-	-		-
Total revenue from non-exchange transactions	254,880,749	(3,044,382)	251,836,367	253,926,377	2,090,010		
TOTAL REVENUE	276,652,546	7,909,848	284,562,394	286,225,945	1,663,551		
Expenditure							
Employee related costs	92,616,030	(125,000)	92,491,030	91,106,893	1,384,137		1%
Remuneration of councillors	12,483,886		12,483,886	12,497,840	(13,954)		0%
Depreciation, impairment and amortisation	57,348,918	(13,100,693)	44,248,225	48,554,513	(4,306,288)	8	-10%
Finance costs	5,018,213	(1,000,000)	4,018,213	2,412,236	1,605,977	9	40%
Debt impairment	5,039,890	(3,000,000)	2,039,890	24,338,908	(22,299,018)	10	-1093%
Operational costs - contracted services and other expenditure	92,286,164	31,614,987	123,901,151	97,986,600	25,914,551	11	21%
	264,793,101	14,389,294	279,182,395	276,896,989	2,285,406		
Operating Surplus	11,859,445	(6,479,446)	5,379,999	9,328,955	3,948,956		
Fair value adjustments	-	-	-	10,570,000	10,570,000	12	100%
	-	-	-	10,570,000	10,570,000		
Surplus for the year	11,859,445	-6,479,446	5,379,999	19,898,955	14,518,956		
Cash flow statement							
Net cash flows from operating activities	78,563,103	(45,779,412)	32,783,691	53,151,698	(20,368,007)	13	-62%
Net cash flows from investing activities	(103,075,100)	8,202,735	(94,872,365)	(72,739,193)	(22,133,172)	14	23%
Net cash flows from financing activities	-	-	-	(232,835)	232,835	15	-100%
Net increase in cash and cash equivalents	(24,511,997)	(37,576,677)	(62,088,674)	(19,820,330)	(42,268,344)		
Net cash and cash equivalents at the beginning of the period	113,639,983	45,615,762	159,255,745	159,255,744	1		0%
Net cash and cash equivalents at the end of the period	89,127,986	8,039,085	97,167,071	139,435,414	(42,268,343)		
Capital expenditure & funds sources							
Capital expenditure							
Transfers recognised - capital	31,779,000	(325,000)	31,454,000	30,854,000	600,000		2%
Public contributions & donations	-	-	-	-	-		0%
Borrowing	-	-	-	-	-		0%
Internally generated funds	60,015,000	(6,807,813)	53,207,187	42,018,167	11,189,020	16	21%
Total sources of capital funds	91,794,000	(7,132,813)	84,661,187	72,872,167	11,789,020		14%
Financial position							
Total current assets	145,577,968	16,688,441	162,266,409	200,850,637	(38,584,228)	17	-24%
Total non current assets	589,910,088	(15,458,778)	574,451,310	569,838,617	4,612,693		1%
Total current liabilities	92,043,774	(58,501,976)	33,541,798	50,145,609	(16,603,811)	18	-50%
Total non current liabilities	17,111,272	3,397,326	20,508,598	23,346,858	(2,838,260)	19	-14%
Community wealth/equity or Total net assets	626,333,010	56,334,313	682,667,323	697,196,788	(14,529,465)		

Dr Nkosazana Dlamini Zuma Local Municipality Annual financial statements for the year ended 30 June 2024							
Statement of Comparison of Budget and Actual amounts							
	Original Budget	Budget Adjustments	Final Budget	Actual	Difference between final budget and actual	Variance comments Ref No.	% Variance Between Final Budget & Actuals
Actual amount on comparable basis presented in the Budget and Actual Comparative Statement							
Significant variances of actual outcomes against budget (with variance greater than 5% of budget) for the year are explained below:							
Statement of Financial Performance							
1	Rental of facilities and equipment - underestimation of revenue from ad-hoc rentals, this is due to budgeting based on historical outcomes and tempered optimism in the local economic and social activities after impacts of lockdowns.						
2	Licences and permits - Underestimation of revenue from Driver/Learner licence application based on historical trends. This is a demand driven revenue item which the municipality has limited control.						
3	Agency services - Overestimation of revenue from Department of Transport agency services fees based on historical trends. This is a demand driven revenue item which the municipality has limited control.						
20	Other Income – the reduction on landfill site provision is the major driver of the above expected performance, supplemented by tender document sales.						
4	Interest received - The Municipality received more interest than anticipated because of an increase in interest rates and better cash-flow management of our savings/rear-loaded municipal programmes. Unused cash generated more interest especially in the last quarter of the financial year.						
5	Gains on disposal of assets – the underperformance is due to the non-finalisation of the auction of the municipal land, as the municipality still exercises control over the land, to be released on the transfer of ownership.						
6	Property rates - The underperformance is due to a combination of factors such as falling valuations, rezoning of properties, utilisation of rebates available through the rates policy.						
7	Property rates - penalties - More penalties were levied than anticipated as a result of the growing gross debtors book, financial systems crash which led to the delayed issuing of statements to debtors which impacted debtor collection, slow recovery of the local economy and loss of income by other residents from the devastating effect of nationwide lockdown which has contributed to an increase in debtors book as other residents could not pay outstanding amounts on time.						
8	Depreciation and amortisation – anticipated completion and commissioning dates were met early, leading to a fasttracked depreciation start date.						
9	Finance Costs - Overestimation of notional interest based on the expectation of the establishment of a new landfill site.						
10	Debt Impairments -Financial systems crash which led to the delayed issuing of statements to debtors which impacted debtor collection rates, this has led to a significant impact on recoverability given the consistent methodology used.						
11	Operational Costs - Delays on appointment of service providers as most of the tenders have to be re-advertised, cost containment regulations yielded positive results, savings and reduction on a number of operational costs items i.e. catering, consultants and professionals and travelling. Prudence exercised on community programmes contributed to the savings as many programmes i.e. OSS, Public participation, Sport and development, Arts and Culture, Community gender forums and all other community outreach related expenses.						
12	Fair Value adjustments - There has been an increase in the value of investment properties based on recent sales in the areas where investment properties is located, based on history an increase/decrease was not catered for in the original/adjustment budget.						
Cash flow statement							
13	Net cash flows from operating activities - Variance as result of the following, delays on appointment of service providers because most of the tenders have to be re-advertised due to potential services provides noncompliance with SCM regulations and poor performance.						
14	Net cash flows from investing activities - Variance as result of the following, delays on appointment of service providers because most of the tenders have to be re-advertised due to potential services provides noncompliance with SCM regulations and poor performance.						
15	Net cash flows from financing activities - repayment of the remaining current liability portion of liabilities was not budgeted for as lease agreements were only finalised late into the financial year.						
Capital expenditure & funds sources							
16	Internally generated funds - Variance as a result of reasons stated on Variance comment number 14						
Statement of Financial position							
17	Total current assets - Variance due to growing debtors book as a result of matters disclosed in number 7 and 10						
18	Total current liabilities - Variance as a result of budgets being prepared with the understanding that good measures introduced to reduce creditors which also helps our suppliers with their cashflows, which aligns with the municipality's commitment to assisting Small, Medium and Micro Enterprises (SMMEs) avoid serious adverse impact on the financial health due to delayed payment which has been implemented but the late arrival of invoices at financial year end resulted in a significant balance in trade payables/accruals.						
19	Total non-current liabilities - Variance as result of delays in processes to get approval for another landfill site which delays the processes to start rehabilitation for one of the landfill sites.						

Dr Nkosazana Dlamini Zuma Local Municipality

Annual financial statements for the year ended 30 June 2024

Accounting Policies

1. Presentation of annual financial statements

These 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.

Assets, liabilities, revenues and expenses are not offset, except where offsetting is either required or permitted by a Standard of GRAP.

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

1.1 Presentation currency

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

1.2 Going concern assumption

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

1.3 Significant judgments and sources of estimation uncertainty

In preparing the financial statements, management made estimates and assumptions that affect the amounts represented in the financial statements and related disclosures. Using available information and applying professional judgement is inherent in the formation of estimates. Actual results in the future could differ from these estimates which may be material to the financial statements.

Receivables

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

The provision for impairment of receivables exists due to the possibility that these debts will not be recovered. In assessing receivables for potential impairment debtors are assessed at individual level and on aggregate. Debtors with similar credit risk characteristics are collectively assessed for impairment. Furthermore; In assessing whether there is any indication that a financial asset receivable, or group of receivables, may be impaired the result from the following factors were considered, significant financial difficulty of the debtor, sequestration, liquidation or other financial re-organisation of the debtors, breach of arrangement contracts and adverse changes in the economy. which are evidenced in debtors payment patterns.

Provisions

Management determines an estimate based on the information available.

Useful lives of property, plant and equipment and intangible assets

The municipality's management determines the estimated useful lives and related depreciation charges for property, plant and equipment and intangible assets in accordance with Local Government Capital Asset Management Guideline of 2008. This estimate is based on the condition and use of the individual assets, in order to determine the remaining period over which the asset can and will be used.

Effective interest rate

The municipality uses the ruling overdraft rate to discount future cash flows in the event of it being material.

1.4 Investment property

Investment property is property held to earn rentals or for capital appreciation or both, rather than for:

- use in the production or supply of goods or services, or for
- administrative purposes; or for
- sale in the ordinary course of operations.

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

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

Investment property is initially recognised at cost (transaction costs are included in the initial measurement).

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

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Accounting Policies

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

Fair value

Subsequent to initial measurement investment property is measured at fair value. The fair value of investment property reflects market conditions at the reporting date. A gain or loss arising from a change in fair value is included in net surplus or deficit for the period in which it arises.

1.5 Property, plant and equipment

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

The cost of an item of property, plant and equipment is recognised as an asset when it is probable that future economic benefits or service potential associated with the item will flow to the municipality; and the cost of the item can be measured reliably. Property, plant and equipment is initially measured at cost.

The cost of an item of property, plant and equipment is the purchase price and other costs attributable to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Trade discounts and rebates are deducted in arriving at the cost. Where an asset is acquired through a non-exchange transaction, its cost is its fair value as at date of acquisition.

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

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

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

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

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

Property, plant and equipment is depreciated on the straight line basis over expected useful lives to estimated residual value. Land is stated at cost and is not depreciated as it is deemed to have an indefinite useful life. The useful lives of items of property, plant and equipment have been assessed as follows:

Asset Class	Average useful life
Infrastructure:	
Streetlights	1 - 80 Years
Roads	1 - 50 Years
Pedestrian Footways	1 - 50 Years
Community Assets:	
Office buildings	1 - 30 Years
Cemeteries	1 - 30 Years
Community centres and halls	1 - 30 Years
Libraries	1 - 30 Years
Sports and related stadiums	1 - 30 Years
Golf courses	1 - 20 Years
Flood lighting	1 - 15 Years
Park homes	1 - 15 Years
Car wash	1 - 10 Years
Houses / hostels	1 - 30 Years
Taxi rank	1 - 15 Years
Other Assets:	
Office equipment	1 - 17 Years
Office machines	1 - 7 Years
Air conditioners	1 - 10 Years

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Accounting Policies

Furniture and fittings	1 - 15 Years
Fire extinguishers	1 - 10 Years
Other firefighting equipment	1 - 15 Years
Computer equipment	1 - 13 Years
Security measures	1 - 20 Years
Train	1 - 30 Years
Engine	1 - 10 Years
Generator	1 - 10 Years
Boiler	1 - 10 Years
Loud hailer / Public Address System	1 - 10 Years
Fencing	1 - 20 Years
Motor vehicles:	
Truck and light delivery vehicles	1 - 7 Years
Mini-bus and delivery vehicles	1 - 7 Years
Tractors	1 - 7 Years
Fencing	1 - 5 Years
Plant and equipment	
Graders	1 - 20 Years
Lawn mowers	1 - 20 Years
Compressors	1 - 20 Years
Firearms	1 - 20 Years
Radio equipment	1 - 10 Years

The residual value and the useful life and depreciation method of each asset are reviewed at the end of each reporting date. If the expectations differ from previous estimates, the change is accounted for as a change in accounting estimate. Reviewing the useful life of an asset on an annual basis does not require the entity to amend the previous estimate unless expectations differ from the previous estimate.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately. The depreciation charge for each period is recognised in surplus or deficit unless it is included in the carrying amount of another asset.

Items of property, plant and equipment are derecognised when the asset is disposed of or when there are no further economic benefits or service potential expected from the use of the asset. The gain or loss arising from the derecognition of an item of property, plant and equipment is included in surplus or deficit when the item is derecognised. The gain or loss arising from the derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item.

Assets under construction - Work in progress

Assets under construction are stated at historical cost. Depreciation only commences when the asset is available for use.

Leased assets

Assets capitalised under finance leases are depreciated over their expected useful lives on the same basis as Property, Plant and Equipment controlled by the municipality or, where shorter, the term of the relevant lease if there is no reasonable certainty that the municipality will obtain ownership by the end of the lease term.

1.6 Accounting by principals or agents

A principal-agent arrangement results from a binding arrangement in which one entity, the municipality, undertakes transactions with third parties on behalf, and for the benefit of, another entity, the principal. The municipality recognises increases in assets and related increases in liabilities on receipt of the related funding. The liability is reduced when the amounts are spent in accordance with fund conditions.

1.7 Intangible assets

An intangible asset is recognised when it is probable that the expected future economic benefits or service potential that are attributable to the asset will flow to the municipality; and the cost or fair value of the asset can be measured reliably. The municipality assesses the probability of expected future economic benefits or service potential using reasonable and supportable assumptions that represent management's best estimate of the set of economic conditions that will exist over the useful life of the asset.

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

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Accounting Policies

An intangible asset is regarded as having an indefinite useful life when, based on all relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows or service potential. Amortisation is not provided for these intangible assets, but they are tested for impairment annually and whenever there is an indication that the asset may be impaired. For all other intangible assets amortisation is provided on a straight line basis over their useful life.

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

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

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

Item	Useful life
Computer software	1 - 12 Years

Intangible assets are derecognised on disposal or when no future economic benefits or service potential are expected from use or disposal. The gain or loss is the difference between the net disposal proceeds, if any, and the carrying amount and is recognised in surplus or deficit when the asset is derecognised.

1.8 Financial instruments

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

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

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

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

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

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable willing parties in an arm's length transaction.

A financial asset is cash, or a contractual right to receive cash or another financial asset from another entity or exchange financial assets or financial liabilities with another entity under conditions that are potentially favorable to the entity.

A financial liability is any liability that is a contractual obligation to deliver cash or another financial asset to another entity; or exchange financial assets or financial liabilities under conditions that are potentially unfavorable to the entity.

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

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Accounting Policies

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

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

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

Financial instruments at amortised cost are non-derivative financial assets or non-derivative financial liabilities that have fixed or determinable payments, excluding those instruments that the entity designates at fair value at initial recognition; or are held for trading.

Classification

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

Type of Financial Asset

Receivables from non-exchange transactions

Receivables from exchange transactions

Cash and cash equivalents

Classification in terms of GRAP 104

Financial asset measured at amortised cost

Financial asset measured at amortised cost

Financial asset measured at amortised cost

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

Type of Financial Liability

Payables from exchange transactions

Finance lease obligation

External loan

Classification in terms of GRAP 104

Financial liability measured at amortised cost

Financial liability measured at amortised cost

Financial liability measured at amortised cost

Initial recognition

The municipality recognises a financial asset or a financial liability in its statement of financial position when it becomes a party to the contractual provisions of the instrument.

The municipality recognises financial assets using trade date accounting.

Initial measurement of financial assets and financial liabilities

The municipality initially measures a financial asset and financial liability at its fair value plus transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

Subsequent measurement of financial assets and financial liabilities

The municipality measures all financial assets and financial liabilities after initial recognition at amortised cost.

All financial assets measured at amortised cost, or at cost, are subject to an impairment review.

Derecognition

Financial assets

The municipality derecognizes financial assets using trade date accounting. The entity derecognizes a financial asset only when:

The contractual rights to the cash flows from the financial asset expire, are settled or waived;

Financial liabilities

The municipality removes a financial liability (or a part of a financial liability) from its statement of financial position when it is extinguished i.e. when the obligation specified in the contract is discharged, cancelled, expires or waived.

Presentation

Interest relating to a financial instrument or a component that is a financial liability is recognised as revenue or expense in surplus or deficit. Losses and gains relating to a financial instrument or a component that is a financial liability is recognised as revenue or expense in surplus or deficit.

A financial asset and a financial liability are only offset and the net amount presented in the statement of financial position when the municipality currently has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

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Accounting Policies

1.9 Impairment of non-cash-generating assets

Cash-generating assets are those assets held by the municipality with the primary objective of generating a commercial return. When an asset is deployed in a manner consistent with that adopted by a profit-orientated entity, it generates a commercial return. Non-cash-generating assets are assets other than cash-generating assets.

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

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

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

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

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

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

Useful life is either the period of time over which an asset is expected to be used by the municipality; or the number of production or similar units expected to be obtained from the asset by the municipality.

1.10 Employee benefits

Employee benefits are all forms of consideration given by the entity in exchange for service rendered by employees. Termination benefits are employee benefits payable as a result of either an entity's decision to terminate an employee's employment before the normal retirement date; or an employee's decision to accept voluntary redundancy in exchange for those benefits.

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

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

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

Short-term employee benefits

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

Short-term employee benefits include items such as:

Salaries, wages and social security contributions;

Short-term compensated absences (such as paid annual leave and paid sick leave) where the compensation for the absences is due to be settled within twelve months after the end of the reporting period in which the employees render the related employee service;

Bonus, incentive and performance related payments payable within twelve months after the end of the reporting period in which the employees render the related service; and

Non-monetary benefits (for example, medical care, and free or subsidised goods or services such as housing, cars and cell phones) for current employees.

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

As a liability (accrued expense), after deducting any amount already paid. If the amount already paid exceeds the undiscounted amount of the benefits, the entity recognise that excess as an asset (prepaid expense) to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund; and

As an expense, unless another Standard requires or permits the inclusion of the benefits in the cost of an asset.

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

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

Defined contribution plans-KZN Joint Municipal Pension fund

The municipality has a defined contribution plan with Natal Joint Municipal Pension Fund .Payments to the defined contribution plan are charged as an expense as they fall due.

Other employee benefits

The municipality provides long service awards to qualifying employees after the completion of a minimum service period.

The expected costs of these benefits are accrued over the period of employment. Independent qualified actuaries carry out valuations of these obligations.

The amount recognised as a liability for other long-term employee benefits is the net total of the following amounts:

The present value of the defined benefit obligation at the reporting date;
minus the fair value at the reporting date of plan assets (if any) out of which the obligations are to be settled directly.

The entity shall recognise the net total of the following amounts as expense or revenue, except to the extent that another standard requires or permits their inclusion in the cost of an asset:

current service cost;

interest cost;

the expected return on any plan assets and on any reimbursement right recognised as an asset;

actuarial gains and losses, which shall all be recognised immediately;

past service cost, which shall all be recognised immediately; and

The effect of any curtailments or settlements.

1.11 Provisions and contingencies

Provisions are recognised when:

the municipality has a present obligation as a result of a past event;

It is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation;

and, a reliable estimate can be made of the obligation.

The amount of a provision is the best estimate of the expenditure expected to be required to settle the present obligation at the reporting date.

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, the reimbursement is recognised when, and only when, it is virtually certain that reimbursement will be received if the municipality settles the obligation. The reimbursement is treated as a separate asset. The amount recognised for the reimbursement does not exceed the amount of the provision.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. Provisions are reversed if it is no longer probable that an outflow of resources embodying economic benefits or service potential will be required, to settle the obligation.

A provision is used only for expenditures for which the provision was originally recognised. Provisions are not recognised for future operating deficits.

Contingent assets and contingent liabilities are not recognised, but are disclosed in the notes and are reviewed at reporting date.

The municipality has an obligation to rehabilitate its landfill site in terms of its licence stipulations .The amount of the provision is recognised at the present value of the expenditure expected to be required to settle the obligation.

1.12 Revenue from exchange transactions

Revenue is the gross inflow of economic benefits or service potential during the reporting period when those inflows result in an increase in net assets, other than increases relating to contributions from owners.

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An exchange transaction is one in which the municipality receives assets or services, or has liabilities extinguished, and directly gives approximately equal value (primarily in the form of goods, services or use of assets) to the other party in exchange. Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

Measurement

Revenue is measured at the fair value of the consideration received or receivable..

Rendering of services

When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction is recognised by reference to the stage of completion of the transaction at the reporting date. The outcome of a transaction can be estimated reliably when all the following conditions are satisfied:

the amount of revenue can be measured reliably;

it is probable that the economic benefits or service potential associated with the transaction will flow to the municipality;

the stage of completion of the transaction at the reporting date can be measured reliably; and

the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

When services are performed by an indeterminate number of acts over a specified time frame, revenue is recognised on a straight line basis over the specified time frame unless there is evidence that some other method better represents the stage of completion. When a specific act is much more significant than any other acts, the recognition of revenue is postponed until the significant act is executed.

When the outcome of the transaction involving the rendering of services cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable. Service revenue is recognised by reference to the stage of completion of the transaction at the reporting date. Stage of completion is determined by services performed to date as a percentage of total services to be performed.

Rentals

Revenue arising from the use by others of entity assets yielding rentals is recognised when it is probable that the economic benefits or service potential associated with the transaction will flow to the municipality and the amount of the revenue can be measured reliably.

Other Revenue

Revenue arising from the application of the approved tariff of charges is recognised when the relevant service is rendered by applying the appropriate tariff. This includes the issuing of licences, permits and the sale of tender documents.

1.13 Service charges

Waste removal is based on bin size and the number of collections. Waste removal services are billed on a monthly basis.

1.14 Revenue from non-exchange transactions

Revenue comprises gross inflows of economic benefits or service potential received and receivable by the municipality, which represents an increase in net assets, other than increases relating to contributions from owners.

Conditions on transferred assets are stipulations that specify that the future economic benefits or service potential embodied in the asset is required to be consumed by the recipient as specified or future economic benefits or service potential must be returned to the transferor.

Control of an asset arise when the municipality can use or otherwise benefit from the asset in pursuit of its objectives and can exclude or otherwise regulate the access of others to that benefit.

Non-exchange transactions are transactions that are not exchange transactions. In a non-exchange transaction, the municipality either receives value from another entity without directly giving approximately equal value in exchange, or gives value to another entity without directly receiving approximately equal value in exchange.

Restrictions on transferred assets are stipulations that limit or direct the purposes for which a transferred asset may be used, but do not specify that future economic benefits or service potential is required to be returned to the transferor if not deployed as specified.

Stipulations on transferred assets are terms in laws or regulation, or a binding arrangement, imposed upon the use of a transferred asset by entities external to the reporting municipality.

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Accounting Policies

Transfers are inflows of future economic benefits or service potential from non-exchange transactions, other than taxes.

Recognition

An inflow of resources from a non-exchange transaction recognised as an asset is recognised as revenue, except to the extent that a liability is also recognised in respect of the same inflow.

As the municipality satisfies a present obligation recognised as a liability in respect of an inflow of resources from a non-exchange transaction recognised as an asset, it reduces the carrying amount of the liability recognised and recognises an amount of revenue equal to that reduction.

Measurement

Revenue from a non-exchange transaction is measured at the amount of the increase in net assets recognised by the municipality.

When, as a result of a non-exchange transaction, the municipality recognises an asset, it also recognises revenue equivalent to the amount of the asset measured at its fair value as at the date of acquisition, unless it is also required to recognise a liability. Where a liability is required to be recognised it will be measured as the best estimate of the amount required to settle the obligation at the reporting date, and the amount of the increase in net assets, if any, recognised as revenue. When a liability is subsequently reduced, because the taxable event occurs or a condition is satisfied, the amount of the reduction in the liability is recognised as revenue.

Transfers

Apart from services in kind, which are not recognised, the municipality recognises an asset in respect of transfers when the transferred resources meet the definition of an asset and satisfy the criteria for recognition as an asset.

Transferred assets are measured at their fair value as at the date of acquisition.

Debt forgiveness and assumption of liabilities

The municipality recognises revenue in respect of debt forgiveness when the former debt no longer meets the definition of a liability or satisfies the criteria for recognition as a liability, provided that the debt forgiveness does not satisfy the definition of a contribution from owners.

Revenue arising from debt forgiveness is measured at the carrying amount of debt forgiven.

Fines

Revenue from the issuing of traffic fines is recognised when it is probable that economic benefits associated with a transaction will flow to the municipality and can be measured reliably. Revenue from traffic fines is initially recognised at fair value and subsequently tested for impairment. The revenue from traffic fines is subject to judicial process which is beyond the municipality's control.

Gifts and donations, including goods in-kind

Gifts and donations, including goods in kind, are recognised as assets and revenue when it is probable that the future economic benefits or service potential will flow to the municipality and the fair value of the assets can be measured reliably.

1.15 Investment income

Investment income is recognised on a time-proportion basis using the effective interest method.

1.16 Unauthorised expenditure

Unauthorised expenditure means overspending of a vote or a main division within a vote and expenditure not in accordance with the purpose of a vote or, in the case of a main division, not in accordance with the purpose of the main division.

All expenditure relating to unauthorised expenditure is recognised as an expense in the statement of financial performance in the period that the expenditure was incurred. The expenditure is classified in accordance with the nature of the expense, and where recovered, it is subsequently accounted for as revenue in the statement of financial performance.

1.17 Fruitless and wasteful expenditure

Fruitless expenditure means expenditure which was made in vain and would have been avoided had reasonable care been exercised.

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Accounting Policies

All expenditure relating to fruitless and wasteful expenditure is recognised as an expense in the statement of financial performance in the period that the expenditure was incurred. The expenditure is classified in accordance with the nature of the expense, and where recovered, it is subsequently accounted for as revenue in the statement of financial performance.

1.18 Irregular expenditure

Irregular expenditure is expenditure that is contrary to the Municipal Finance Management Act (Act No.56 of 2003), the Municipal Systems Act (Act No.32 of 2000), and the Public Office Bearers Act (Act No. 20 of 1998) or is in contravention of the economic entity's supply chain management policy. Irregular expenditure excludes unauthorised expenditure. Irregular expenditure is accounted for as expenditure in the Statement of Financial Performance and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance.

1.19 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 a Housing Development Fund. Housing selling schemes, both complete and in progress as at 1 April 1998, were also transferred to the Housing Development Fund. In terms of the Housing Act, all proceeds from housing developments, which include rental income and sales of houses, must be paid into the Housing Development Fund. Monies standing to the credit of the Housing Development Fund can be used only to finance housing developments within the municipal area subject to the approval of the Provincial MEC responsible for housing.

1.20 Conditional grants and receipts

Revenue 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.

1.21 Grants in aid

The Municipality donates money goods or services to individuals organisations and other sectors of government from time to time. When making these donations the Municipality does not receive any goods or services directly in return as would be expected in a purchase or sale transaction, Expect to be repaid in future; or Expect a financial return, as would be expected from an investment

1.22 Events after reporting date

Events after reporting dates that are classified as adjusting events are accounted for in the annual financial statements. Events after reporting date that are classified as non-adjusting events after reporting date are disclosed in the notes to the annual financial statements.

1.23 Budget information

The annual budget is prepared on a basis which is consistent with the annual financial statements .The budget and actual amounts are included in a separate financial statement ,Statement of Comparison of Budget and Actual amounts . Explanatory comments are provided in the notes to the financial statements giving reasons for variances from budget.

1.24 Related parties

Individuals 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. Management is regarded as a related party and comprises the Councillors, the Mayor, the Executive Committee Members, the Municipal Manager, the Chief Financial Officer and all managers reporting directly to the Municipal Manager or as designated by the Municipal Manager.

1.25 Commitments

Commitments are future expenditure items of both an operating and capital nature; in respect of which the Municipality has committed funds which on execution will result in an outflow of resources embodying economic benefits. Commitments are neither recognised in the Statement of Financial Position as liabilities nor recognised in the Statement of Financial Performance as expenditure but are disclosed as future commitments in the notes to the annual financial statements.

Commitments are disclosed in respect of:

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Accounting Policies

approved and contracted commitments, where expenditure has been approved and contracts have been awarded at reporting date, where the disclosure is required by the specific standard of GRAP.

Items are classified as commitments where the municipality commits itself to future transactions that will normally result in the outflow of resources.

Contracts that are entered into before the reporting date, but goods and services have not yet been received are disclosed in the disclosure Notes to the annual financial statements.

1.26 Value added tax

The municipality accounts for Value Added Tax on a payment basis for purchases and receipts basis for revenue.

1.27 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. Nominal interest rate is the interest rate and/or basis specified in legislation, supporting regulations or similar means. The transaction amount (for purposes of this Standard) for a statutory receivable means the amount specified in, or calculated, levied or charged in accordance with, legislation, supporting regulations, or similar means

Recognition

The municipality recognises statutory receivables as follows: if the transaction is an exchange transaction, using the policy on Revenue from exchange transactions; if the transaction is a non-exchange transaction, using the policy on Revenue from non-exchange transactions (Taxes and transfers); or if the transaction is not within the scope of the policies listed in the above or another Standard of GRAP, the receivable is recognised when the definition of an asset is met and, when it is probable that the future economic benefits or service potential associated with the asset will flow to the entity and the transaction amount can be measured reliably.

Initial measurement

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.

In assessing whether there is any indication that a statutory receivable, or group of statutory receivables, may be impaired the result from the following factors were considered, significant financial difficulty of the debtor, sequestration, liquidation or other financial re-organisation of the debtors, breach of arrangement contracts and adverse changes in the economy, which are evidenced in debtors payment patterns. Statutory receivables with similar credit risk characteristics are collectively assessed for impairment

Derecognition

The municipality derecognises a statutory receivable, or a part thereof, when: the rights to the cash flows from the receivable are settled, expire or are waived; the municipality transfers to another party substantially all of the risks and rewards of ownership of the receivable; or the municipality, despite having retained some significant risks and rewards of ownership of the receivable, has transferred control of the receivable to another party and the other party has the practical ability to sell the receivable in its entirety to an unrelated third party, and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer. In this case, the entity: - derecognise the receivable; and - recognise separately any rights and obligations created or retained in the transfer. The carrying amounts of any statutory receivables transferred are allocated between the rights or obligations retained and those transferred on the basis of their relative fair values at the transfer date. The entity considers whether any newly created rights and obligations are within the scope of the Standard of GRAP on Financial Instruments or another Standard of GRAP. Any difference between the consideration received and the amounts derecognised and, those amounts recognised, are recognised in surplus or deficit in the period of the transfer.

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1.28 Segment reporting

The municipality is organised and operates in four 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.

The four key business units comprise of:

- Community and public safety which includes community and social services, sport and recreation, public safety, health and housing services;
- Economic and environmental services which includes planning and development, road transport, environmental protection services and tourism.
- Trading service which is waste management services;

Municipal governance and administration which includes executive and council, finance and administration and internal audit unit;

The grouping of these segments is consistent with the functional classification of government activities which considers the nature of the services, the beneficiaries of such services and the fees charged for the services rendered (if any). Management does monitor performance geographically but does not at present have reliable separate financial information for decision making purposes. Processes have been put in place to generate this information at a transaction level and in the most cost effective manner.

1.29 Materiality

Material omissions or misstatements of items are material if they could, individually or collectively, influence the decisions or assessments of users made on the basis of the financial statements. Materiality depends on the nature or size of the omission or misstatement judged in the surrounding circumstances. The nature or size of the information item, or a combination of both, could be the determining factor. Materiality has been considered in determining whether information is required to be recognised, measured, presented and disclosed in accordance with the requirements in the Standards of GRAP as well as assessing the effect of omissions, misstatements and errors on the financial statements.

Budget information

Variances between budget and actual amounts are regarded as material when there is a variance of:

- 5% or greater in the statement of financial position, the statement of financial performance and the cash flow statement.

1.30 Construction contracts

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

Construction contract includes contracts for the rendering of services which are directly related to the construction of the asset, for example, those for the services of project managers and architects; and contracts for the destruction or restoration of assets, and the restoration of the environment following the demolition of assets.

Contract revenue shall comprise of the initial amount of revenue agreed in the contract; and 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 costs that relate directly to the specific contract; costs that are attributable to contract activity in general and can be allocated to the contract on a systematic and rational basis; and such other costs as are specifically chargeable to the customer under the terms of the contract.

When the outcome of a construction contract can be estimated reliably, contract revenue and contract costs associated with the construction contract shall be recognised as revenue and expenses respectively by reference to the stage of completion of the contract activity at the reporting date. The method used to determine the stage of completion will be base on progress reports prepared by engineers. An expected deficit on a construction contract to which paragraph GRAP11.49 applies shall be recognised as an expense immediately in accordance with paragraph GRAP11.49

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Accounting Policies**1.30 Presentation of Annual financial statements**

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

Standards issued but not yet effective as the finance Minister has not determined the date.

Standard	Description	Effective Date	Expected Impact
GRAP 1	Presentation of Financial Statements	4/1/2023	Minimal impact
GRAP 25	Employee Benefits	4/1/2023	Minimal impact
GRAP 103	Heritage Assets	Date not determined	Minimal impact
GRAP 104	Financial Instruments (Revised April 2023)	4/1/2025	Minimal impact
GRAP 105	Transfer of Functions Between Entities Under Common Control		Minimal impact
GRAP 106	Transfer of Functions Between Entities Not Under Common Control		Minimal impact
GRAP 107	Mergers		Minimal impact
IGRAP 7	The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction	4/1/2023	Minimal impact
IGRAP 21	The Effect of Past Decisions on Materiality	4/1/2023	Minimal impact
OVERALL	Improvements To Standards Of GRAP	4/1/2023	Minimal impact

In preparation of the these financial statements the following GRAP standards have been considered:

Standard	Description	Effective Date
GRAP 1	Presentation of Financial Statements	Currently applicable
GRAP 2	Cash Flow Statements	Currently applicable
GRAP 3	Accounting Policies, Changes in Accounting Estimates and Errors	Currently applicable
GRAP 4	The Effects of Changes in Foreign Exchange Rates	Currently applicable
GRAP 5	Borrowing Costs	Currently applicable
GRAP 6	Consolidated and Separate Financial Statements	Currently applicable
GRAP 7	Investments in Associates	Currently applicable
GRAP 8	Interest in Joint Ventures	Currently applicable
GRAP 9	Revenue from Exchange Transactions	Currently applicable
GRAP 10	Financial Reporting in Hyperinflationary Economies	Currently applicable
GRAP 11	Construction Contracts	Currently applicable
GRAP 12	Inventories	Currently applicable
GRAP 13	Leases	Currently applicable
GRAP 14	Events After the Reporting Date	Currently applicable
GRAP 16	Investment Property	Currently applicable
GRAP 17	Property Plant and Equipment	Currently applicable
GRAP 18	Segment Reporting	Currently applicable
GRAP 19	Provisions, Contingent Liabilities and Contingent Assets	Currently applicable
GRAP 20	Related Party Disclosures	Currently applicable
GRAP 21	Impairment of Non-cash-generating Assets	Currently applicable
GRAP 23	Revenue from Non-exchange Transactions (Taxes and Transfers)	Currently applicable
GRAP 24	Presentation of Budget Information in Financial Statements	Currently applicable
GRAP 25	Employee Benefits	Currently applicable
GRAP 26	Impairment of Cash-generating assets	Currently applicable
GRAP 27	Agriculture	Currently applicable
GRAP 31	Intangible Assets	Currently applicable
GRAP 32	Service Concession Arrangements: Grantor	Currently applicable
GRAP 34	Separate financial statements	Currently applicable
GRAP 35	Consolidated financial statements	Currently applicable
GRAP 36	Investments in associates and joint ventures	Currently applicable
GRAP 37	Joint arrangements	Currently applicable
GRAP 38	Disclosure of interests in other entities	Currently applicable
GRAP 100	Discontinued Operations	Currently applicable
GRAP 110	Living and non-living resources	Currently applicable
GRAP 103	Heritage Assets	Currently applicable
GRAP 104	Financial Instruments	Currently applicable
GRAP 105	Transfer of Functions Between Entities Under Common Control	Currently applicable
GRAP 106	Transfer of Functions Between Entities Not Under Common Control	Currently applicable
GRAP 107	Mergers	Currently applicable
GRAP 108	Statutory Receivables	Currently applicable
GRAP 109	Accounting by Principals and Agents	Currently applicable

Notes to the financial statements

	2024	2023
	R	R
2 Events after the reporting date		
The municipality has evaluated events after the reporting date up to the date the financial statements were authorized for issue, based on this evaluation, there were no events that occurred after the reporting date that require adjustment to or disclosure in these financial statements		
3 Receivables		
3.1 Receivables from non-exchange transactions		
Gross balances		
Suppliers deposits	732,401	637,974
Input Value added tax - Accrual	2,795,277	2,525,554
Other receivables	1,674,758	1,246,521
	5,202,435	4,410,049
Less: Allowance for impairment	(531,009)	(576,658)
Net balances after allowance for impairment	4,671,426	3,833,391
Statutory receivables		
Property Rates	102,106,245	80,263,782
Traffic fines	804,500	1,602,815
Value added tax receivable	1,695,864	370,915
Gross balance	104,606,609	82,237,512
Less: Allowance for impairment	(53,196,503)	(32,214,963)
Net balances after allowance for impairment	51,410,106	50,022,549
Net balances for receivables from non-exchange transactions	56,081,532	53,855,939
3.2 Receivables from exchange transactions		
Gross balances		
Service charges - Refuse	10,611,540	9,332,151
Rent	3,704,057	1,973,827
VAT on amounts receivable	1,879,057	1,521,389
Sundry debtors	683,228	406,153
	16,877,881	13,233,520
Less: Allowance for impairment	(11,544,191)	(9,573,253)
Net balances for receivables from exchange transactions	5,333,690	3,660,268

There were no receivables from non-exchange or exchange transactions that were pledged as security. The carrying values of exchange and non-exchange receivables approximate their fair values. The age analysis of various categories of debtors are detailed below:

Debtors aging analysis as at 30 June 2024							
by source type	0-30 Days	30-60 Days	60-90 Days	90-120 Days	Older than 120 Days	Total	
Service charges - Refuse	660,817	238,394	222,751	211,115	10,708,171	12,041,248	
Rent	963,292	173,948	186,171	165,266	2,664,728	4,153,405	
Sundry debtors	-	-	-	-	683,228	683,228	
Total	1,624,109	412,342	408,922	376,381	14,056,127	16,877,881	

Debtors aging analysis as at 30 June 2023							
by source type	0-30 Days	30-60 Days	60-90 Days	90-120 Days	Older than 120 Days	Total	
Service charges - Refuse	359,656	281,602	234,768	219,361	9,462,084	10,557,471	
Rent	28,146	81,468	89,430	95,012	1,975,841	2,269,897	
Sundry debtors	-	-	-	-	406,153	406,153	
Total	394,217	360,340	319,117	308,131	11,851,714	13,233,520	

Debtors aging analysis as at 30 June 2024							
Aging per customer group	0-30 Days	30-60 Days	60-90 Days	90-120 Days	Older than 120 Days	Total	
Government	374,236	77,696	76,678	66,831	5,248,713	5,844,155	
Business	-743,613	-137,289	-129,002	-117,584	-3,452,296	-4,579,784	
Households	2,345,608	461,929	556,448	445,703	4,846,958	8,656,646	
Agriculture	-479,124	-47,560	-160,324	-79,468	4,653,622	3,887,146	
Other	127,002	57,566	65,123	60,899	2,759,129	3,069,719	
Total	1,624,109	412,342	408,922	376,381	14,056,127	16,877,881	

Debtors aging analysis as at 30 June 2023							
Aging per customer group	0-30 Days	30-60 Days	60-90 Days	90-120 Days	Older than 120 Days	Total	
Government	90,016	67,283	59,297	54,217	4,430,231	4,701,044	
Business	-175,295	-115,628	-96,872	-92,602	-2,926,451	-3,406,849	
Households	564,194	400,020	430,314	361,580	4,091,125	5,847,233	
Agriculture	-115,245	-41,186	-123,983	-64,469	3,927,938	3,583,056	
Other	30,548	49,851	50,361	49,405	2,328,872	2,509,037	
Total	394,217	360,340	319,117	308,131	11,851,714	13,233,520	

Notes to the financial statements

2024 2023
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Receivables from exchange transactions

Allowance for impairment as at 30 June 2024							
Reconciliation of allowance for impairment			Other receivables	Service charges - Refuse	Rent	Sundry debtors	Total
Balance at the beginning of the period			(576,658)	(8,614,711)	(944,436)	(14,106)	(10,149,911)
Bad debt written off			45,649	-	-	-	45,649
(Contribution to the impairment) / reversal of impairment			-	(1,624,080)	(346,859)	-	(1,970,939)
Balance at the end of the period			(531,009)	(10,238,791)	(1,291,295)	(14,106)	(12,075,201)

Allowance for impairment as at 30 June 2023							
Reconciliation of allowance for impairment			Other receivables	Service charges - Refuse	Rent	Sundry debtors	Total
Balance at the beginning of the period			(500,470)	(7,901,579)	(569,773)	(18,141)	(8,989,963)
Bad debt written off			-	-	-	-	-
(Contribution to the impairment) / reversal of impairment			(76,188)	(713,132)	(374,664)	4,036	(1,159,948)
Balance at the end of the period			(576,658)	(8,614,711)	(944,436)	(14,106)	(10,149,911)

Provision for impairment is based on the payment record of debtors. The municipality considers debt not paid within 60 days and past due in terms of its credit control and debt collection policy. The municipality does not impair state owned/Government debt. Below is an analysis of the age of financial assets that are past due as at the end of the reporting period but not impaired:

Debtors aging analysis as at 30 June 2024							
Aging per customer group				60-90 Days	90-120 Days	Older than 120 Days	Total
Government				76,678	66,831	5,248,713	5,392,222

Debtors aging analysis as at 30 June 2023							
Aging per customer group				60-90 Days	90-120 Days	Older than 120 Days	Total
Government				59,297	54,217	4,430,231	4,543,745

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Notes to the Financial statements

3.3 Statutory receivables

Statutory receivables as at 30 June 2024

Classification	Legislation	Gross opening balance	Billing for the year	Penalties and interests	Bad debts	Receipts	Gross closing balance	Impairment losses provision	Carrying amount Closing balance
Rates	Municipal Property Rates Act, Act No. 6 of 2004	80,263,782	42,391,594	7,674,329	(214,385)	(28,009,074)	102,106,245	(52,498,762)	49,607,483
Traffic fines	Criminal procedure act, Act No. 51 of 1977	1,602,815	337,200	-	(1,114,915)	(20,600)	804,500	(697,741)	106,760
Value added tax receivable	The Value-Added Tax Act 89 of 1991	370,915	13,629,798	-	-	(12,304,849)	1,695,864	-	1,695,864
		82,237,512	56,358,592	7,674,329	(1,329,300)	(40,334,524)	104,606,609	(53,196,503)	51,410,106

Statutory receivables as at 30 June 2023

Classification	Legislation	Gross opening balance	Billing for the year	Penalties and interests	Bad debts	Receipts	Gross closing balance	Impairment losses provision	Carrying amount Closing balance	
Rates	Municipal Property Rates Act, Act No. 6 of 2004	65,246,770	41,073,513	6,469,455	-	489,662	(3,036,294)	80,263,782	(30,749,950)	49,513,833
Traffic fines	Criminal procedure act, Act No. 51 of 1977	1,136,950	548,750	-	-	(82,885)	1,602,815	(1,465,014)	137,801	
Value added tax receivable	The Value-Added Tax Act 89 of 1991	1,728,744	16,691,838	-	-	(18,049,667)	370,915	-	370,915	
		68,112,464	58,314,101	6,469,455	(489,662)	(50,168,846)	82,237,512	(32,214,963)	50,022,549	

Debtors aging analysis as at 30 June 2024

by source type	0-30 Days	30-60 Days	60-90 Days	90-120 Days	Older than 120 Days	Total
Rates	3,901,507	2,648,963	2,329,550	2,010,754	91,215,471	102,106,245
Traffic Fines	18,016	54,993	3,951	12,400	715,140	804,500
Value added tax receivable	1,695,864	-	-	-	-	1,695,864
Total	5,615,387	2,703,956	2,333,501	2,023,154	91,930,611	104,606,609

Debtors aging analysis as at 30 June 2023

by source type	0-30 Days	30-60 Days	60-90 Days	90-120 Days	Older than 120 Days	Total
Rates	3,066,901	2,082,300	1,831,215	1,580,616	71,702,751	80,263,782
Traffic fines	36,250	110,650	7,950	24,950	1,438,914	1,602,814
Value added tax receivable	370,915	-	-	-	-	370,915
Total	3,474,066	2,192,950	1,823,265	1,605,566	73,141,666	82,237,512

Debtors aging analysis as at 30 June 2024

Aging per customer group	0-30 Days	30-60 Days	60-90 Days	90-120 Days	Older than 120 Days	Total
Government	2,686,192	553,869	384,902	383,645	24,311,492	28,320,101
Business	694,483	570,751	485,356	454,936	15,031,113	17,236,639
Households	1,108,827	842,044	727,505	556,079	38,296,757	41,531,211
Agriculture	1,108,771	778,572	717,784	623,622	14,264,781	17,493,530
Other	1,437	763	208	629	22,092	25,129
Total	5,599,710	2,745,999	2,315,754	2,018,912	91,926,235	104,606,609

Debtors aging analysis as at 30 June 2023

Aging per customer group	0-30 Days	30-60 Days	60-90 Days	90-120 Days	Older than 120 Days	Total
Government	1,156,385	440,585	306,193	305,194	19,340,052	21,548,409
Business	552,469	454,038	386,106	361,907	11,957,411	13,711,930
Households	882,036	678,414	563,090	442,367	30,470,956	33,036,864
Agriculture	882,039	619,362	567,875	496,098	11,347,786	13,913,160
Other	1,137	550	-	-	25,461	27,148
Total	3,474,066	2,192,950	1,823,265	1,605,566	73,141,666	82,237,512

Interest/penalties accrue at 18% per annum if an instalment past due. Interest rate used in the discount of statutory receivables is 8.57%.

Notes to the Financial statements

Allowance for impairment as at 30 June 2024

Reconciliation of allowance for impairment	Statutory receivables - rates	Statutory receivables - Traffic fines	Total
Balance at the beginning of the period	(30,749,950)	(1,465,013)	(32,214,963)
Bad debt written off	-	1,106,965	1,106,965
(Contribution to the impairment) / reversal of impairment	(21,748,813)	(339,692)	(22,088,505)
Balance at the end of the period	(52,498,763)	(697,741)	(53,196,503)

Allowance for impairment as at 30 June 2023

Reconciliation of allowance for impairment	Statutory receivables - rates	Statutory receivables - Traffic fines	Total
Balance at the beginning of the period	(31,614,895)	(992,887)	(32,607,783)
Bad debt written off	-	-	-
(Contribution to the impairment) / reversal of impairment	864,945	(472,126)	392,820
Balance at the end of the period	(30,749,950)	(1,465,013)	(32,214,963)

Provision for impairment is based on the payment record of debtors. The municipality considers debt not paid within 60 days as past due in terms of its credit control and debt collection policy. The municipality does not impair state owned/Government debt. Below is an analysis of the age of Statutory receivables that are past due as at the end of the reporting period but not impaired:

Debtors aging analysis as at 30 June 2024

Aging per customer group	60-90 Days	90-120 Days	Older than 120 Days	Total
Government	384,902	383,645	24,311,492	25,080,040

Debtors aging analysis as at 30 June 2023

Aging per customer group	60-90 Days	90-120 Days	Older than 120 Days	Total
Government	306,193	305,194	19,340,052	19,951,439

Notes to the financial statements

	2024	2023
	R	R
4 Cash and cash equivalents		
Bank balances	4,881,934	17,433,888
Short-term deposits	134,552,296	141,820,700
	<u>139,434,230</u>	<u>159,254,588</u>
Cash on hand	1,185	1,156
	<u>139,435,415</u>	<u>159,255,744</u>

Cash and cash equivalents held by the municipality that are available for use .

For the purpose of statement of financial position and the cash flow statement, cash and cash equivalents includes cash on hand and cash at bank net of outstanding overdraft.

The municipality does not have overdrawn current account facilities with its banker and therefore does not incur overdrawn current account fees. Short-term deposits are made for varying periods, depending on the immediate cash requirements. It earns interest at the respective short-term deposit rate. The maximum investment period is three months.

The Municipality has the following bank accounts:

	Cashbook balances	Bank statement balances	Cashbook balances	Bank statement balances
	30 June 2024	30 June 2024	30 June 2023	30 June 2023
Bank balances				
First National Bank Limited - Primary Bank account - 62026224999	4,881,934	4,881,933	17,218,952	17,218,952
First National Bank Limited - Bank account - 52551036969	-	-	214,936	214,936
	4,881,934	4,881,933	17,433,888	17,433,888
Short-term deposits				
First National Bank Investment-62008452071	787,185	787,185	44,877,262	44,877,262
Absa Business Bank-93-7405-3205	2,215,574	2,215,574	33,841,116	33,841,116
Nedbank Notice Deposit-03/7881098635/000052	5,484,421	5,484,421	30,911,497	30,911,497
Nedbank Notice Deposit-03/7881098635/000058	22,347,911	22,347,911	20,467,019	20,467,019
Investec Bank-1100540834(4500)	-	-	10,544,191	10,544,191
First National Bank 32 Day Flexi Notice-74165605518	1,057,760	1,057,760	973,247	973,247
First National Bank Call Account-62550105011	-	-	205,769	205,769
Standard Bank-4787359950-024	-	-	-	-
Absa Business Bank-2081543530	37,913,890	37,913,890	-	-
First National Bank Fixed Deposit-76204802667	30,703,989	30,703,989	-	-
First National Bank Call Account-76206036280	21,329,906	21,329,906	-	-
First National Bank Call Account-63088927886	6,483,608	6,483,608	-	-
First National Bank Call Account-63088927886	6,222,470	6,222,470	-	-
First National Bank Call Account-63060516756	5,547	5,547	-	-
Standard Bank-4787359950-035	36	36	-	-
	134,552,297	134,552,297	141,820,700	141,820,700
	<u>139,434,231</u>	<u>139,434,230</u>	<u>159,254,588</u>	<u>159,254,588</u>

Notes to the financial statements

5 Investment property

	2024				2023		
	Cost / Valuation	Disposal	Additions/Fair value adjustments	Closing balance	Cost / Valuation	Additions/Fair value adjustments	Closing balance
Investment property	19,732,000	-	10,570,000	30,302,000	18,950,000	782,000	19,732,000

Reconciliation of investment property - 30 June 2024

	Opening balance	Additions/Fair value adjustments	Disposals	Closing balance
Investment property	19,732,000	10,570,000	-	30,302,000

Reconciliation of investment property - 30 June 2023

	Opening balance	Additions/Fair value adjustments	Disposals	Closing balance
Investment property	19,259,000	782,000	(309,000)	19,732,000

Rentals from investment properties amounted to R2 284 669 (2023/2024) and R1 226 227 (2022/2023).

Pledged as security:

No investment property is pledged as security.

Details of valuation

Investment property mainly vacant stands and land and buildings are stated at fair values, which have been determined based on valuations by an independent valuer who is registered as a Professional Valuer in terms of Section 20(2)a of the Property Valuers Profession Act 2000, and Member of the South African Institute of Valuers. The valuation was arrived at by reference to the comparable sales approach. The last valuation was performed as of 30 June 2024.

6a Property, plant and equipment

	2024			2023		
	Cost / Valuation	Accumulated depreciation and impairment	Carrying Value	Cost / Valuation	Accumulated depreciation and impairment	Carrying Value
Infrastructure	313,097,233	(131,649,656)	181,447,577	282,685,864	(106,257,312)	176,428,553
Community Assets	311,960,463	(66,225,139)	245,735,324	287,399,722	(55,235,556)	232,164,166
Machinery and Equipment	15,344,978	(5,810,338)	9,534,640	13,777,667	(4,043,742)	9,733,925
Transport	53,029,710	(21,246,882)	31,782,828	45,174,766	(15,873,103)	29,301,663
Furniture and Office Equipment	11,318,771	(5,954,734)	5,364,037	8,599,273	(5,399,570)	3,199,703
Leased Assets	740,364	(341,751)	398,613	740,364	(143,274)	597,090
Computer equipment	7,882,553	(5,078,956)	2,803,597	6,502,197	(4,233,386)	2,268,811
Buildings	58,551,348	(9,674,272)	48,877,076	54,995,071	(7,538,653)	47,456,418
Land	12,738,102	-	12,738,102	12,738,101	-	12,738,101
	784,663,521	(245,981,727)	538,681,794	712,613,025	(198,724,596)	513,888,428

Notes to the Financial statements

7 Intangible assets

	R	2024 R Accumulated amortisation and accumulated impairment	R Carrying Value	R Cost / Valuation	2023 R Accumulated amortisation and accumulated impairment	R Carrying Value
Computer software	2,556,984	(1,702,161)	854,823	1,297,471	(879,551)	417,920

Reconciliation of intangible assets - 30 June 2024

	Opening balance	Additions	Amortisation	Impairment loss	Carrying value
Computer software	417,921	1,259,513	(822,610)	-	854,823

Reconciliation of intangible assets - 30 June 2023

	Opening balance	Additions	Amortisation	Impairment loss	Carrying value
Computer software	462,417	444,054	(488,550)	-	417,921

Restricted title:

All computer software are issued under licence and are restricted to the conditions under which each licence is issued.

	2024 R	2023 R
8 Finance lease obligation		
Minimum lease payments due		
- Within one year	298,302	298,302
- In second to fifth year inclusive	124,293	720,897
	422,595	1,019,199
Less: Future finance charges	(37,944)	(401,713)
Present value of minimum lease payments	384,651	617,485
Present value of minimum lease payments due:		
- Within one year	264,243	232,835
- In second to fifth year inclusive	120,408	384,651
	384,651	617,485
Non-current liabilities	120,408	384,651
Current liabilities	264,243	232,835
	384,651	617,485

The average lease term is 3 years. The capitalised liabilities are in respect of office equipment leased by the municipality. The lease agreements neither provide the nominal nor the effective interest rates, accordingly, internal rates of return applicable to each lease were determined and accordingly applied to amortise each of the respective lease repayments. Therefore, the average effective borrowing rate is 9%, which is subject to a 0% escalation per annum. The leases have fixed repayment terms. The agreements do not provide for contingent rental payments.

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Notes to the Financial statements

		2024	2023		
		R	R		
9 Payables from exchange transactions					
Trade payables		15,099,037	12,499,739		
Retention creditors - contracts		11,398,055	11,226,659		
Staff leave accrual		6,337,363	6,319,611		
13th cheque provision		2,201,194	2,014,510		
Output Value added tax - Accrual		1,890,222	1,521,389		
Sundry payables		12,419,496	12,097,166		
		49,345,366	45,679,073		
10 Payables from non-exchange transaction					
Unspent conditional grants					
Unspent Agent funds	10.1	-	730,905		
	10.2	-	5,624,057		
		-	6,354,962		
10.1 Unspent conditional grants					
	Balance at the beginning of the period	Portion of rollover not approved and paid	Additions during the period	Income recognised during the period a result of grant conditions being met	Balance as at 30 June 2024
Details of Grants for the year ended 30 June 2024					
Municipal Infrastructure Grant	-	-	29,654,000	(29,654,000)	-
Disaster Management Programme	-	-	1,000,000	(1,000,000)	-
Greenest and Smart Municipality Grant	-	-	1,200,000	(1,200,000)	-
Small Town Rehabilitation Grant	-	-	-	-	-
Financial Management Grant	-	-	1,950,000	(1,950,000)	-
Expanded Public Works Programme	-	-	2,178,000	(2,178,000)	-
Municipal Employment Initiative	530,905	-	-	(530,905)	-
Title Deeds Restoration Programme Grant	200,000	(200,000)	-	-	-
Arts & culture - Library Grant	-	-	4,169,000	(4,169,000)	-
	730,905	(200,000)	40,151,000	(40,681,905)	-
	Balance at the beginning of the period	Portion of rollover not approved and deducted from equitable share	Additions during the period	Income recognised during the period a result of grant conditions being met	Balance as at 30 June 2023
Details of Grants for the year ended 30 June 2023					
Municipal Infrastructure Grant	-	-	30,558,000	(30,558,000)	-
Disaster Management Programme	-	-	-	-	-
Greenest and Smart Municipality Grant	-	-	-	-	-
Small Town Rehabilitation Grant	5,200,000	-	-	(5,200,000)	-
Financial Management Grant	-	-	1,950,000	(1,950,000)	-
Expanded Public Works Programme	-	-	2,476,000	(2,476,000)	-
Municipal Employment Initiative	-	-	1,000,000	(469,095)	530,905
Title Deeds Restoration Programme Grant	200,000	-	-	-	200,000
Arts & culture - Library Grant	-	-	4,423,000	(4,423,000)	-
	5,400,000	-	40,407,000	(45,076,095)	730,905

Notes to the Financial statements

	2024	2023
	R	R
Name of Grant	Description of Grant	
Small Town Rehabilitation Grant	The grant is used to support small and rural municipalities with the rehabilitation of small towns as local centres of economic activity and nodes of concentrated and focused delivery of services	
Financial Management Grant	This grant is used to finance sound financial management and to pay salaries for the interns.	
Expanded Public Works Programme	The grant is utilised for creating of job opportunities in environmental and cultural, infrastructure and the social eradication of poverty and capacity building and skills programmes.	
Arts and Culture - Library grant	This grant is used to subsidize the cost of running the libraries.	
Municipal Infrastructure Grant	This grant is used to subsidize the cost of building infrastructure. Conditions of the grant have been met. There was no delay or withholding of the grant.	
Disaster Management Programme	The main objective of the grant is to pro-actively respond to the immediate needs after a disaster has occurred in order to deal with its consequences.	
Greenest Award Municipal Grant	This grant was received from KZN EDTEA as a conditional award won by the municipality as a result of complying with Waste Management prescripts.	
Title Deeds Restoration Programme Grant	This grant allocated to the municipality for the completion of Title Deeds related activities.	
Municipal Employment Initiative	This grant is used to provide financial and non-financial support for municipal employment initiatives that support small, informal and local enterprises	
The municipality has complied with all grant conditions and all allocations were received by the municipality as gazetted. In 2023/2024 the Municipal Infrastructure Grant was decreased by R2,1 million to R29,7 million.		

10.2 Unspent Agent funds

	Balance at the beginning of the period	Portion of rollover not approved and paid	Additions during the period	Reduction of grant as a result of grant conditions being met	Balance as at 30 June 2024
Details of agent funds for the year ended 30 June 2024					
Department of Human Settlements Grant	5,624,057	(5,624,057)	-	-	-
	5,624,057	(5,624,057)	-	-	-
	Balance at the beginning of the period	Portion of rollover not approved and deducted from equitable share	Additions during the period	Reduction of grant as a result of grant conditions being met	Balance as at 30 June 2023
Details of agent funds for the year ended 30 June 2023					
Department of Human Settlements Grant	5,624,057	-	-	-	5,624,057
	5,624,057	-	-	-	5,624,057

The Municipality acts as an agent on behalf of the Department for the implementation of housing projects. The Municipality receives funds from the Department and pays it over to contractors once invoices are received and certified by the Department.

Notes to the Financial statements

				2024	2023
				R	R
11 Provisions	Opening balance post adjustments	Actuarial adjustment	Interest	Contributions to provision	Closing balance
11.1 Reconciliation Provision for landfill site rehabilitation - 30 June 2024					
Environmental rehabilitation - landfill site	(9,877,947)	(506,439)	(983,064)		(11,367,450)
30 June 2023					
Environmental rehabilitation - landfill site	(9,551,633)	486,795	(924,859)	111,750	(9,877,947)
<p>The provision for rehabilitation of refuse disposal sites relates to the legal obligation to rehabilitate the disposal sites. The municipality has two landfill sites, one at Creighton and the other at Bulwer. Both sites have a 10 year licence issued on the 15 of September 2015 and the 26 of October 2015 respectively. The provision made represents the present value of estimated future rehabilitation costs for these landfill sites. It also takes into account the estimated landfill site capacity, the average refuse disposal per month on Creighton landfill site; in addition to the fact that each has their respective licences valid till the second-half of 2025.</p>					
11.2 Long service awards obligation					
Balance at the beginning of the period				3,958,000	3,712,000
Service cost				516,000	421,000
Net Interest expense				427,000	439,000
Benefits paid				(576,187)	(422,459)
Remeasurements				(113,813)	(191,541)
				4,211,000	3,958,000
Current liabilities				428,000	630,000
Non current liabilities				3,783,000	3,328,000
				4,211,000	3,958,000
<p>The municipality offers certain employees leave awards that may be exchanged for cash on certain anniversaries of commencing service determined by the length of service.</p> <p>The most recent actuarial valuation of plan assets of long service awards and the present value of the defined benefit obligation were carried out at 30 June 2024 by a fellow of the Fellow of the Actuarial Society of South Africa . The present value of the defined benefit obligation , and the related service cost and were measured using the Projected Unit Credit Funding Method.</p> <p>The principal assumptions used for the purpose of actuarial valuations are as follows:</p>					
Discount rate				Yield Curve	Yield Curve
Consumer Price Index (CPI)				Difference between nominal and real yield curves	Difference between nominal and real yield curves
Normal salary increase rate (CPI+1%)				5.1%	5.40%
Net effective discount rate				Yield curve based	Yield curve based
<p>The amount recognised in the Statement of Financial Position is as follows:</p>					
Present value of unfunded obligations				4,211,000	3,958,000
<p>The amounts recognised in the Statement of Financial Performance are as follows:</p>					
Service cost				516,000	421,000
Net Interest expense				427,000	439,000
Benefits paid				(576,187)	(422,459)
Remeasurements				(113,813)	(191,541)
Amount included in other income - Actuarial gain on provision - Long service award				253,000	246,000

Notes to the Financial statements

	2024	2023
	R	R
Movements in the present value of the defined benefit obligation were as follows:		
Service cost	516,000	421,000
Net Interest expense	427,000	439,000
Benefits paid	(576,187)	(422,459)
Remeasurements	(113,813)	(191,541)
	<u>253,000</u>	<u>246,000</u>
Movement in the present value of plan assets were as follows:		
Benefits paid	(576,187)	(422,459)
	<u>(576,187)</u>	<u>(422,459)</u>
Present value of obligation	<u>4,211,000</u>	<u>3,958,000</u>
11.3 Post retirement health care benefits obligations		
The history of experienced adjustments is as follows:		
Balance at the beginning of the period / year	7,025,000	6,855,000
Service cost	490,000	540,000
Net Interest expense	932,000	838,000
Benefits paid	(105,681)	(93,288)
Remeasurements	(157,319)	(1,114,712)
	<u>8,184,000</u>	<u>7,025,000</u>
<p>The municipality provides certain post-retirement health care benefits liability by funding the medical aid contribution of qualifying retired members of the municipality . 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) is entitled to remain a continued member of such medical aid fund on retirement , in which case the municipality is liable for a certain portion of the medical aid membership fee. The municipality operate an unfunded defined benefit plan for these qualifying employees.</p> <p>Sensitivity analysis, the following were taken into account when calculating the liability:</p> <ul style="list-style-type: none"> - 20% increase/decrease in the assumed level of mortality - 1% increase/decrease in the medical aid inflation <p>The most recent actuarial valuations of plan assets and present value of the unfunded defined benefit obligation were carried out at 30 June 2024 by a fellow of the Faculty of Actuaries and Fellow of Actuarial Society of South Africa. The present value of the defined benefit obligation , and the related current service costs and past service costs were measured using the Projected Unit Credit Method.</p>		
The members of the post-employment benefit plan are made up as follows:		
Pensioners	2	2
In-service members	<u>106</u>	<u>102</u>
The liability in respect of past service has been estimated as follows:		
In-service members	<u>8,184,000</u>	<u>7,025,000</u>
<p>The Municipality makes monthly contributions for health care arrangements to the following Medical Aid Schemes: Key Health, Bonitas, Samwumed and LA Health.</p>		

Notes to the Financial statements

	2024	2023
	R	R
11.3 Post retirement health care benefits obligations (cont.)		
The principal assumptions used for the purposes of the actuarial valuations were as follows:		
Discount rate	Yield Curve	Yield Curve
	Difference between	Difference
	nominal and real	between
Expected inflation	yield curves	nominal and
Health care cost inflation (CPI+1%)	9,18%	real yield
		curves
		5.40%
	Relationship	Relationship
	between discount	between
Net discount rate	rate and health care	discount rate
	inflation rate	and health care
		inflation rate
The amount recognised in the statement of financial position is as follows:		
Present value of unfunded obligations	<u>8,184,000</u>	<u>7,025,000</u>
The amount recognised in the statement of financial performance is as follows:		
Total included in employee related costs - Contribution to medical aid schemes, pension funds, UIF and SDL	<u>8,184,000</u>	<u>7,025,000</u>
	<u>8,184,000</u>	<u>7,025,000</u>
Movements in the present value of the defined benefit obligation were as follows:		
Service cost	490,000	540,000
Net Interest expense	932,000	838,000
Remeasurements	(157,319)	(1,114,712)
	<u>1,264,681</u>	<u>263,288</u>
	<u>1,264,681</u>	<u>263,288</u>
Current liabilities	108,000	107,000
Non current liabilities	8,076,000	6,918,000
	<u>8,184,000</u>	<u>7,025,000</u>
	<u>8,184,000</u>	<u>7,025,000</u>
12 Housing operating account		
Movement in the current period / year:		
Opening balance	6,830,756	6,015,292
Expenditure incurred	(1,181,160)	-
Interest on call account	578,643	815,465
Closing balance	<u>6,228,239</u>	<u>6,830,756</u>
	<u>6,228,239</u>	<u>6,830,756</u>
The Housing Operating Account is represented by cash and cash equivalents. As at 30 Juen 2024; First National Bank Account-63088927886(R6 222 470) and Account-63060516756(R5 547).		
	<u>6,228,017</u>	<u>6,830,757</u>
	<u>6,228,017</u>	<u>6,830,757</u>

Notes to the Financial statements

		2024 R	Restated 2023 R
13 Revenue			
Revenue comprises revenue from exchange and non-exchange transactions as follows:			
13.1 Revenue from exchange transactions			
Service charges	14	4,378,912	4,197,040
Licences and permits	15	512,125	416,854
Agency services	16	609,274	634,719
Rental of facilities and equipment	17	2,353,721	1,305,819
Other income	18	1,899,991	745,161
Contract revenue	43	6,575,466	7,349,565
Interest received	19	15,970,079	14,179,386
		32,299,567	28,828,544
13.2 Revenue from non - exchange transactions			
Property rates	20	42,391,594	41,073,513
Property rates - penalties imposed	20	7,674,329	6,469,455
Government grants and subsidies	21	202,952,905	197,542,096
Traffic fines		337,200	548,750
Assets donated	22	-	31,442
Pound Fees		407,633	429,666
Incidental Cash Surpluses	23	162,716	47,140
		253,926,378	246,142,062
Incidental cash surpluses relates to fruitless & wasteful expenditure to be recovered from relevant officials and bursary refunds from employees who did not fulfill their obligations.			
14 Service charges			
Service charges - Refuse removal		4,378,912	4,197,040
15 Licences and permits			
Licences and permits		512,125	416,854
16 Agency services			
Agency services		609,274	634,719
The municipality receives 10% on amounts collected for vehicle registrations since this is the function of Department of Transport.			
17 Rental of facilities and equipment			
Market related		2,284,669	1,226,227
Non-Market related		69,052	79,593
		2,353,721	1,305,819
18 Other income			
Sale of Goods		489,073	241,599
Insurance Refunds & Commissions		586,520	116,679
Cemetery and Burial		3,199	3,743
Building Plan Approval		137,418	168,253
Skills Development Levy Refund		51,297	74,095
Photocopies and Faxes		224,099	140,280
Clearance Certificates		1,248	512
Landfill site provision adjustment		407,137	-
		1,899,991	745,161
19 Interest received			
Interest Received - Deposit held by Suppliers		18,413	24,891
Interest Received - Current Account		685,533	703,051
Interest Received - Investments		15,266,133	13,451,444
		15,970,079	14,179,386
20 Property rates			
Residential		9,641,043	8,897,597
Business & Commercial		8,522,992	9,530,657
Agricultural		12,141,315	11,713,843
State owned		10,440,133	9,234,931
Vacant		1,646,111	1,696,486
Total		42,391,594	41,073,513
Penalties			
Property rates		7,494,234	6,400,299
Service charges		180,095	69,156
		7,674,329	6,469,455

Notes to the Financial statements

	2024 R	Restated 2023 R
Valuations		
Agriculture	4,125,329,000	4,124,279,000
Business & Commercial	529,572,000	528,662,000
Impermissible	28,884,000	28,884,000
Industrial	20,400,000	20,400,000
Municipal	79,194,000	79,194,000
Protected Areas	60,827,000	60,827,000
Public Benefit Organisations	67,260,000	68,170,000
Public Service Infrastructure	1,782,000	1,782,000
Public service purpose	450,292,000	450,292,000
Residential	905,624,000	917,309,017
Vacant Land	84,040,000	84,150,000
	6,353,204,000	6,363,949,017
<p>Valuation of properties within the boundaries of the Municipal area are performed every five years. The current valuation came into effect on 1 July 2022. Interim valuations are carried out to take account of changes in individual property values due to subdivisions, property improvements etc. Rates are levied on an annual basis, over 12 months. A reduction is granted in terms of the Municipal Property Rates Act on the first R15 000 of the market value of all residential properties (in addition to the first R15 000 exempt in terms of MPRA an additional amount of R 35 000 is granted to all developed residential properties). Qualifying Public Service Infrastructure are granted a 100% impermissible exemption. A 30% rebate is granted to all developed properties except for State owned properties/PSPs. An additional 5% rebate is granted to all developed properties outside townlands except for State owned properties/PSPs. Qualifying Pensioners receive a rebate between 50% to 100% depending on the Market Value of property and household income. Qualifying Owners of Properties Utilised Exclusively for Tourism and Hospitality Purposes are granted a percentage rebate. 100% indigent rebates are offered to qualifying applicants who meets the qualifying requirements as stated in the Rates and Indigent policies. PBOs/NPOs who meets requirements as stated in the Rates Policy are granted 100% rebates.</p>		
21 Government grants and subsidies		
Operating grants		
Equitable share	162,271,000	152,466,000
Financial management grant	1,950,000	1,950,000
Community library services grant	4,169,000	4,423,000
Expanded public works programmes	2,178,000	2,476,001
Disaster Management Programme	1,000,000	-
Municipal Employment Initiative	530,905	469,095
	172,098,905	161,784,096
Capital grants		
Greenest Award Municipal Grant	1,200,000	-
Small Town Rehabilitation Grant	-	5,200,000
Municipal infrastructure grant	29,654,000	30,558,000
	30,854,000	35,758,000
	202,952,905	197,542,096
<p>Grants reconciliation is on note number 10.</p>		
22 Assets donated		
Assets donated	-	31,442
<p>Donated assets relates to computer equipment donated by Department of Arts and Culture, the donated value of the assets reflect their fair value as at the date of acquisition by the municipality.</p>		
23 Incidental Cash Surpluses		
Bad debts recovered	21,900	-
Staff recoveries	140,816	47,140
	162,716	47,140

Notes to the Financial statements

	2024 R	Restated 2023 R
24 Employee related costs		
Salaries and wages	68,882,325	60,757,639
Bonus paid and bonus provision	4,953,708	4,371,025
Contribution to UIF, SDL, Bargaining Council	1,369,696	1,255,158
Contribution to medical aid schemes	3,834,670	2,689,848
Contribution to pension funds	9,075,194	8,066,184
Leave pay and provision charge	789,525	631,748
Travel and car allowances	479,598	458,722
Overtime payments	1,551,374	1,518,590
Housing benefits and other employee related costs	170,803	169,998
	91,106,893	79,918,912
Remuneration of the Municipal Manager		
Basic Salary	1,027,725	834,492
Back Pay	149,603	-
Cash gratuity	20,340	20,340
Leave payment	-	219,576
Travel, housing and other allowances	180,000	180,000
Contribution to medical aid, pension fund and UIF	174,143	171,730
	1,551,812	1,426,137
Remuneration of the Chief Financial Officer		
Basic Salary	1,099,167	666,319
Back Pay	204,672	-
Cash gratuity	20,340	15,255
Leave Payment	-	-
Travel, housing and other allowances	42,781	15,904
Contribution to medical aid, pension fund and UIF	9,194	1,594
	1,376,153	699,072
Remuneration of the Public Works and Basic Services Manager		
Basic Salary	808,901	778,812
Back Pay	217,177	-
Cash gratuity	20,340	20,340
Leave Payment	34,221	-
Travel, housing and other allowances	130,818	130,818
Contribution to medical aid, pension fund and UIF	2,125	2,125
	1,213,582	932,096
Remuneration of the Community Servicer Manager (Former)		
Basic Salary	478,757	853,414
Back Pay	217,177	-
Cash gratuity	8,475	20,340
Leave Payment	75,287	-
Travel, housing and other allowances	-	-
Contribution to medical aid, pension fund and UIF	886	58,341
	780,581	932,096
Remuneration of the Community Servicer Manager (Current)		
Basic Salary	139,045.36	-
Back Pay	-	-
Cash gratuity	3,390.00	-
Leave Payment	-	-
Travel, housing and other allowances	-	-
Contribution to medical aid, pension fund and UIF	354.24	-
	142,790	-
Remuneration of the Corporate Services Manager		
Basic Salary	1,023,016	834,283
Back Pay	153,754	-
Cash gratuity	20,340	20,340
Leave Payment	-	184,119
Travel, housing and other allowances	126,000	126,000
Contribution to medical aid, pension fund and UIF	2,125	2,125
	1,325,235	1,166,868
Remuneration of the Planning and Development Manager		
Basic Salary	1,130,063	578,042
Back Pay	145,508	-
Cash gratuity	20,340	13,560
Leave Payment	-	-
Travel, housing and other allowances	-	-
Contribution to medical aid, pension fund and UIF	21,078	1,417
	1,316,989	593,019

Notes to the Financial statements

	2024 R	Restated 2023 R
25 Remuneration of Councillors		
Mayor		
Basic salary	639,604	672,051
Travel, housing and other allowances	262,353	171,500
Contribution to medical aid, pension fund and UIF	88,820	98,524
	<u>990,777</u>	<u>942,074</u>
Deputy Mayor		
Basic salary	752,906	723,607
Travel, housing and other allowances	46,353	43,500
Contribution to medical aid, pension fund and UIF	-	-
	<u>799,259</u>	<u>767,107</u>
Speaker		
Basic salary	517,212	553,118
Travel, housing and other allowances	214,353	127,500
Contribution to medical aid, pension fund and UIF	71,669	81,219
	<u>803,234</u>	<u>761,837</u>
Councillors		
Basic salary	7,368,141	6,681,919
Travel, housing and other allowances	1,552,667	1,449,986
Contribution to medical aid, pension fund and UIF	983,761	975,446
	<u>9,904,569</u>	<u>9,107,351</u>
Total remuneration of councillors	<u>12,497,840</u>	<u>11,578,369</u>
In-kind benefits:		
The Mayor, Deputy Mayor, Speaker and two Exco members are full-time. The Mayor, Deputy Mayor, and Speaker are provided with an office and secretarial support at the cost of the municipality. Councillors were paid within the Upper Limits envisaged in section 219 of the constitution and Government Gazette 49142 dated 18 August 2023. They are also provided with municipal vehicles at the cost of the municipality.		
26 Depreciation, Impairment and amortisation		
Property, plant and equipment - Depreciation	47,257,131	42,480,372
Property, plant and equipment - Impairment	475,734	2,251,257
Intangible assets - Amortisation	822,610	488,550
	<u>48,554,513</u>	<u>45,220,178</u>
27 Finance costs		
Interest paid on finance leases	65,467	51,214
Interest paid on expenses	4,705	26,837
Interest on provisions	2,342,064	2,201,859
	<u>2,412,236</u>	<u>2,279,910</u>
Interest on provisions includes interest on long service awards, post employment medical aid benefits and on landfill sites rehabilitation provision.		
28 Debt impairment		
Bad debt - Contribution to the impairment	23,009,607	767,128
Bad debt - Written off	1,329,300	489,662
	<u>24,338,908</u>	<u>1,256,790</u>

Notes to the Financial statements

	2024	Restated 2023
	R	R
29 Operational costs		
Accounting and Auditing	2,375,443	2,538,755
Achievements and Awards	864,636	496,080
Administrative and Support Staff	588,455	484,286
Advertising, Publicity and Marketing	943,987	769,558
Animal Care	143,377	59,980
Artists and Performers	261,800	178,500
Audit Committee	299,935	350,917
Bank Charges	140,172	177,729
Bargaining Council	1,057,046	1,027,799
Bursaries	1,503,872	296,788
Business and Advisory	849,576	1,449,727
Catering Services	1,750,066	904,849
Cleaning Services	307,876	188,665
Commissions and Committees	63,944	81,827
Communication	3,941	8,103
Consultants and Professional Services	623,847	1,956,986
Consumables	2,473,896	1,302,710
Contractors/Repairs and maintenance	17,872,350	16,483,829
Courier and Delivery Services	162,937	262,954
Deeds	3,844	4,717
Drivers Licences and Permits	-	600
Electrification Projects	11,385,655	9,839,441
External Audit Fees	3,433,731	3,273,093
Gardening Services	109,249	75,620
Geoinformatics Services	513,439	1,587,061
Hire Charges	2,900,374	2,835,623
Indigent Relief	745,343	628,034
Insurance Underwriting	2,473,421	2,713,748
Land - Rental	70,563	95,825
Legal Advice and Litigation	197,159	749,898
Materials and Supplies	2,001,093	2,394,499
Motor Vehicle Licence and Registration	484,783	346,651
Municipal Services	4,528,094	2,539,793
Occupational Health and Safety	475,698	388,071
Parking Fees	18,540	11,442
Printing and Publications	882,565	834,663
Professional Bodies and Membership	126,955	151,759
Refuse Removal	1,997,953	2,037,161
Registration & Training Fees	904,274	547,973
Remuneration to Ward Committees	1,618,000	1,275,700
Security Services	14,431,290	14,549,418
Signage	125,845	156,660
Specialised Computer Service	1,503,358	1,167,572
Telephone, Fax, Telegraph	1,722,975	1,390,241
Transportation	701,065	800,810
Travel and Subsistence	3,772,071	3,291,241
Uniform and Protective Clothing	1,333,311	399,684
Property valuation fees	159,816	114,324
Wet Fuel	7,078,980	6,665,244
	97,986,600	89,886,610

Notes to the Financial statements

	2024 R	Restated 2023 R
30 Cash generated from operations before interest		
Surplus for the period / year	19,898,955	47,266,013
Adjustment for:		
Interest received	(15,970,079)	(14,179,386)
Penalties on property rates	(7,674,329)	(6,469,455)
Gain on disposal of assets	-	(1,654,175)
Donated assets	-	(31,442)
Depreciation, impairment and amortisation	48,554,513	45,220,178
Finance costs	1,053,236	1,002,910
Movement in provisions	1,412,000	416,000
Debt impairment	24,338,908	1,256,790
Fair value adjustment	(10,570,000)	(782,000)
Operating surplus before working capital changes	61,043,204	72,045,433
Working capital changes		
Increase in Value Added Tax	-	593,598
Increase in receivables from non-exchange transactions	(2,225,593)	(15,333,018)
Increase in receivables from exchange transactions	(1,673,422)	(118,931)
Increase in payables from exchange transactions	3,666,293	(15,376,334)
Decrease in payables from non-exchange transactions	(6,354,962)	(4,669,095)
<i>Adjustment (items separately disclosed)</i>		
Receivables from exchange transactions	(17,798,701)	(1,355,407)
Payables from exchange transactions	539,151	2,911,081
Cash generated from operations before interest	37,195,970	38,697,327
31 Changes from the approved budget to the final budget		
The changes between the approved and final budget are a consequence of the Adjustment Budget that was approved by Council		
32 Accounting by principals and agents		
The Municipality is a party to a principal-agent arrangement(s).		
Details of the arrangement is as follows:		
Department of Transport.		
The Municipality acts on behalf of the Department to issue licences to, and collect money from motorists, i.e. there are three parties to the arrangement, principal (Department of Transport), agent(Dr Nkosazana Dlamini Zuma Local Municipality) and third party (motorists).		
The Department of transport is responsible for issuing the licence, the transaction is however between the Department of Transport and the motorist, i.e. the municipality is not a party to the transaction with the third parties. The municipality facilitates the issuing of these licenses and the collection of the prescribed fees.		
The Municipality receives a fee of 10% of the transaction amount and there were no changes that occurred during the reporting period.		
Revenue recognised by the municipality as an agent is stated on note number 16 and any receivables outstanding at reporting date are included in other receivables in note 3		
Department of Human Settlements		
The Municipality acts as an agent on behalf of the Department for the implementation of housing projects. The Municipality receives funds from the Department and pays it over to contractors once invoices are received and certified by the Department.		
Reconciliation of the carrying amount of payables as a result of the above arrangement is on note number 10.2		
33 Commitments		
Authorised capital expenditure		
Approved and contracted		
- Infrastructure assets	17,803,540	15,393,754
- Community assets	4,754,386	7,711,922
-Other assets	2,736,918	3,791,104
-Furniture and office equipment	434,159	100,994
-Computer equipment	27,999	-
-Machinery and Equipment	-	-
Transport Assets	830,736	-
Intangible Assets	3,565,570	-
	30,153,308	26,997,774
Operating commitments		
Operating expenditure	54,575,759	24,742,384
	54,575,759	24,742,384
Total commitments	84,729,067	51,740,158
This expenditure will be financed from:		
Government grants	31,318,000	17,707,331
Internal funds	53,411,067	34,032,827
	84,729,067	51,740,158

Notes to the Financial statements

	2024 R	Restated 2023 R
34 Unauthorised expenditure		
Opening balance	-	-
Unauthorised expenditure - current period	26,619,260	-
Unauthorised expenditure - written off by council	-	-
Closing balance	26,619,260	-
Refer to detailed analysis of current year unauthorised expenditure below:		
Remuneration of councillors	13,954	-
Depreciation, impairment and amortisation	4,306,288	-
Debt Impairment	22,299,018	-
	26,619,260	-
The closing balance of R26 619 260 will be investigated in 2024/2025 financial year.		
35 Fruitless and wasteful expenditure		
Opening balance	2,939	5,131
Fruitless and wasteful expenditure - current period	4,705	180,363
Fruitless and wasteful expenditure - transferred to debtors (to be recovered)	-	-
Fruitless and wasteful expenditure - written off by council	(2,939)	(182,555)
Closing balance	4,705	2,939
Current year fruitless and wasteful expenditure is for interest charged on outstanding accounts for Eskom. The municipality has requested the supplier to email all statements in order to avoid penalties, some of the accounts are emailed while others are posted. The closing balance of R4 705 will be investigated in 2024/2025 financial year.		
36 Irregular expenditure		
Opening balance	1,140,000	136,348
Irregular expenditure - current period (emanating from prior year(s))	60,000	474,852
Irregular expenditure - current period	103,380	1,140,000
Irregular expenditure - written off by council	(1,200,000)	(611,200)
Closing balance	103,380	1,140,000
Refer to detailed analysis of current year irregular expenditure below:		
Non-compliance with SCM Policy-tender advertised for 13 days instead of 14 days	60,000	1,140,000
SCM Regulation 12(3) - Splitting of tender bids	103,380	-
Non-Declaration/Completion of MBD Form	-	474,852
	163,380	1,614,852
The closing balance of R 103 380 would be investigated in 2024/2025 financial year.		

Notes to the Financial statements

	2024 R	Restated 2023 R
37 SCM Deviations		
Details of Section 36 deviations		
Reported to council	1,466,079	2,574,515
Awaiting for next council meeting	-	-
	<u>1,466,079</u>	<u>2,574,515</u>
Refer to detailed analysis of current year deviations below:		
Emergency	65,550	694,719
Single supplier	16,086	1,059,378
Impractical to follow official procurement processes	1,384,443	820,418
TOTAL	<u>1,466,079</u>	<u>2,574,515</u>
In terms of regulation 36 of the Municipal SCM regulation, any deviation from SCM policy needs to be recorded with reasons, approved by Accounting Officer and reported to the next Council meeting for noting and to be included as a note to the annual financial statements. The awards listed above have been approved by the Accounting Officer and noted by Council. All deviations are reported monthly and on quarterly basis to the Council with a detailed schedule and reasons thereto.		
38 Awards to close family members of persons in the service of the state		
In terms of Municipal SCM regulation 45, any award above R 2 000 to a family of employee in the service of the state must be disclosed in the Annual Financial statements. Dr. Nkosazana Dlamini Zuma Municipality made an award to Patricia Daya employeeed at the department of education to the value to state.	212,175	-
39 Additional disclosure in terms of the Municipal Finance Management Act		
39.1 Contributions to organised local government		
Current period / year subscription	1,057,046	1,027,799
Amount paid in the current period	(1,057,046)	(1,027,799)
Balance unpaid included in payables	-	-
39.2 Audit fees		
Opening balance	-	80,783
Current period	3,433,731	3,273,093
Amount paid in the current period	(3,433,731)	(3,353,876)
Balance unpaid included in payables	-	-
The comparative amount for the prior year was incorrectly stated in the MFMA disclosure and has been restated in the current year. The error does not affect the amounts incurred. Amount previously reported R9 839 441(2022/2023)		
39.3 Bargaining Council, UIF and SDL		
Opening balance	-	-
Current period amount	1,369,696	1,255,158
Amount paid in the current period	(1,369,696)	(1,255,158)
Balance unpaid included in creditors	-	-
The comparative amount for the prior year was incorrectly stated in the MFMA disclosure and has been restated in the current year. The error does not affect the amounts incurred. Amount previously reported R12 068 455(2022/2023)		
39.4 Pension and medical aid deductions		
Opening balance	-	-
Payroll deductions	14,054,115	12,588,098
Amount paid in the current period	(14,054,115)	(12,588,098)
Balance unpaid included in creditors	-	-

Notes to the Financial statements

40 Risk Management

40.1 Financial management risk

The municipality's activities expose it to a variety of financial risks: cash flow risk, credit risk and liquidity risk.

The municipality's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the municipality's financial performance.

The Directorate : Budget and Treasury Office monitors and manages the financial risks related to operations through internal policies and procedures . These risks include interest rate risks , credit risks and liquidity. Compliance with policies and procedures is reviewed continuously by the internal auditors and annually by external auditors. The municipality does not enter into or trade financial instruments for speculative purposes.

Internal auditors responsible for initiating a control framework and monitoring and responding to potential risks , reports to the municipality's audit committee, an independent body that monitors the effectiveness of the internal audit.

40.2 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 cash flow forecasts and credit facilities.

The table below analyses the municipality's financial liabilities at the date of statement of financial position. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months and beyond 12 months equal their carrying balances as the impact of discounting is not significant.

Maturity profile - 30 June 2024	<u>Less than 1 Year</u>	<u>Over 1 Year and not</u>		<u>Total</u>
		<u>more than 5 Years</u>	<u>Over 5 Years</u>	
Finance lease obligations	264,243	120,408	-	384,651
Trade payables	49,345,366	-	-	49,345,366
Total	49,609,609	120,408	-	49,730,017

Maturity profile - 30 June 2023	<u>Less than 1 Year</u>	<u>Over 1 Year and not</u>		<u>Total</u>
		<u>more than 5 Years</u>	<u>Over 5 Years</u>	
Finance lease obligations	232,835	384,651	-	617,485
Trade payables	45,679,073	-	-	45,679,073
Total	45,911,908	384,651	-	46,296,558

Dr Nkosazana Dlamini Zuma Local Municipality
Annual financial statements for the year ended 30 June 2024

Notes to the Financial statements

	2024 R	2023 R
40 Risk Management (cont.)		
40.3 Credit risk		
Credit risk consists mainly of cash deposits, cash equivalents, and receivables. The municipality only deposits cash with major banks with high quality credit standing and limits exposure to any one counter- party.		
Receivables comprise a widespread customer base. Management evaluates credit risk relating to customers on an ongoing basis taking into account nature of debtor, past experience and other factors.		
Financial assets exposed to credit risk at year end were as follows:		
Financial instruments		
Receivables from non-exchange transactions	1,876,149	1,307,837
Receivables from exchange transactions	5,333,690	3,660,268
Bank, and cash equivalents	139,435,415	159,255,744
	146,645,254	164,223,849

40.4 Interest rate risk
As the municipality has no significant interest-bearing assets, the municipality's income and operating cash flows are substantially independent of changes in market interest rates.

The municipality's interest rate risk arises from short term investments. Investments are made at variable rates and are exposed to cash flow interest rate risk.

At the end of the accounting period / year end, financial instruments exposed to interest rate risk were Call Deposits and Notice Deposits.

41 Related parties

41.1 Relationships

Compensation to the Accounting Officer, other Key Management and to Councillors:

Accounting Officer and other key management	7,707,142	5,624,990
Councillors	12,497,840	11,578,369
	20,204,981	17,203,359

41.2 Personal Details for 30 June 2024

	Basic Salary, Back Pay, and Gratuity	Travel, housing, Performance bonus and other allowances	Contribution to medical aid, pension fund and UIF	Outstanding balances - Receivables/(Payables)
Key Management				
NC Vezi - Municipal Manager	1,197,669	180,000	174,143	-
MP Mtungwa - Chief Financial Officer	1,324,179	42,781	9,194	-
SV Mngadi - Public Works and Basic Services Manager	1,080,639	130,818	2,125	-
Z Mlata - Community Servicer Manager (Former)	779,695	0	886	-
GK Mchunu - Community Servicer Manager (Current)	142,435	-	354	-
SJ Sondezi - Corporate Services Manager	1,197,110	126,000	2,125	-
TI Dawe - Planning and development manager	1,295,911	-	21,078	-
Councillors				
PS MSOMI - Mayor	639,604	262,353	88,820	-
KA HADEBE - Deputy Mayor	752,906	46,353	-	-
SS PHOSWA - Speaker	517,212	214,353	71,669	-
VAT MTHEMBU - Chief wip	266,199	130,311	36,790	-
D ADAMS - Councillor	229,612	118,477	-	-
DR NGCAMU - Councillor	243,627	70,625	33,935	-
NG DLAMINI - Councillor	265,480	141,712	36,790	-
SJ PHAKATHI - Councillor	202,280	118,478	27,646	-
BB NTSIHA - Councillor	266,480	46,353	36,837	-
BR MEMELA - Councillor	340,064	46,353	47,274	-
RS MLOTSHWA - Councillor	350,146	46,353	49,751	-
PK MEMELA - Councillor	266,480	46,353	36,837	-
P MAYEZA - Councillor	174,534	26,768	21,009	-
Z NDLOVU - Councillor	174,534	26,768	21,009	-
MP MBANJWA - Councillor	174,534	26,768	21,009	-
TE MDLADLA - Councillor	266,480	46,353	36,837	-
HS MLIBENI - Councillor	626,154	46,353	87,306	-
N DLAMINI - Councillor	266,480	46,353	36,837	-
RC ALDOUS-TROLLOPE - Councillor	266,480	46,353	36,837	-
MW MTOLO - Councillor	340,064	46,353	47,274	-
SG MKHIZE -Councillor	266,480	46,353	36,837	-
NC DLAMNI - Councillor	266,480	46,353	36,837	-
PN MDLANGATHI - Councillor	266,480	46,353	36,837	-
BB KHATHI - Councillor	266,480	46,353	36,837	-
MTC BHENGU - Councillor	266,480	46,353	36,837	-

Dr Nkosazana Dlamini Zuma Local Municipality
Annual financial statements for the year ended 30 June 2024

Notes to the Financial statements

			2024	2023
			R	R
IT SHOBA - Councillor	264,680	46,353	36,837	-
NP ZULU - Councillor	266,180	46,353	36,837	-
X ZAMISA - Councillor	265,761	46,353	36,837	-
SA ZONDI - Councillor	84,425	15,668	12,663	-
N ZIKODE - Councillor	84,425	15,668	12,663	-
TF DUMAKUDE - Councillor	84,425	15,668	12,663	-
MM DLAMINI - Councillor	266,216	46,353	37,101	-
Personal Details for 30 June 2023				
Key Management				
NC Vezi - Municipal Manager	1,074,408	180,000	171,730	-
KMB Mzimela - Former Chief Financial Officer(former)	436,815	25,877	6,030	-
MP Mtungwa - Chief Financial Officer(current)	681,574	15,904	1,594	-
SV Mngadi - Public Works and Basic Services Manager	799,152	130,818	2,125	-
Z Mlata - Community Servicer Manager	873,754		58,341	-
SJ Sondezi - Corporate Services Manager	1,038,742	126,000	2,125	-
TI Dawe - Planning and development manager	591,602		1,417	-
Councillors				
PS MSOMI - Mayor	672,051	171,500	98,524	-
KA HADEBE - Deputy Mayor	723,607	43,500	0	-
SS PHOSWA - Speaker	553,118	127,500	81,219	-
VAT MTHEMBU - Chief wip	230,976	130,311	33,970	-
D ADAMS - Councillor	215,063	43,500	69,887	-
DR NGCAMU - Councillor	247,597	43,500	36,463	-
NG DLAMINI - Councillor	247,376	135,901	36,157	-
SJ PHAKATHI - Councillor	186,825	113,387	27,347	-
BB NTSHIZA - Councillor	246,114	43,500	36,463	-
BR MEMELA - Councillor	316,587	43,500	46,794	-
RS MLOTSHWA - Councillor	326,242	43,500	48,209	-
PK MEMELA - Councillor	246,114	43,500	36,463	-
P MAYEZA - Councillor	246,114	43,500	36,463	-
Z NDLOVU - Councillor	246,114	43,500	36,463	-
MP MBANJWA - Councillor	246,114	43,500	36,463	-
TE MDLADLA - Councillor	246,114	43,500	36,463	-
HS MLIBENI - Councillor	516,164	43,500	76,930	-
N DLAMINI - Councillor	246,114	43,500	36,463	-
RC ALDOUS-TROLLOPE - Councillor	246,114	43,500	36,463	-
MW MTOLO - Councillor	316,587	43,500	46,794	-
SG MKHIZE -Councillor	246,114	43,500	36,463	-
NC DLAMNI - Councillor	246,114	43,500	36,463	-
PN MDLANGATHI - Councillor	246,114	43,500	36,463	-
BB KHATHI - Councillor	246,114	43,500	36,463	-
MTC BHENGU - Councillor	246,114	43,500	36,463	-
IT SHOBA - Councillor	246,114	43,500	36,463	-
NP ZULU - Councillor	246,114	43,500	36,463	-
X ZAMISA - Councillor	267,374	43,500	39,379	-
MM DLAMINI - Councillor	246,114	43,500	36,463	-

42 Contingencies

Contingent asset

A contingent asset exists representing a possible recovery of Municipal funds frequently disbursed from the Municipality's bank account by a former employee of the institution.

Contingent Liability

There are no outstanding litigation claims as at the end of the financial year to be reported under this item.

Notes to the Financial statements

43 Contract revenue	2024	2023
As at reporting date 30 June 2024:		
Amount of contract revenue recognised	6,575,466	7,349,565
Amount of contract costs incurred	(6,575,466)	(7,349,565)
Balance of revenue received in advanced	-	-
Amount of retentions	(1,967,097)	-
44 Correction of error		2023
Valuation roll disclosure		
During the year, management identified a misalignment between Section 8 of the Municipal Property Rates Act (MPRA), the classification on the valuation roll, the municipal rates, and the tariff policy. Consequently, the values presented in the prior year's financial statements in Note 20 have been restated to ensure consistency and alignment with these standards. This restatement will have no impact on the statement of financial position, statement of financial performance, or cash flows; it will affect only the related note disclosures.		
Valuations previously reported		
Business and Commercial		231,265,000
Farms - Agriculture		3,900,174,000
Farms - Commercial		56,017,000
Farms - Other		2,200,000
Farms - Residential		24,904,000
Industrial		20,400,000
Municipal Properties		79,194,000
Protected Areas		60,827,000
Public Service Infrastructure (PSI)		8,472,000
Public Benefit Organisation		76,884,000
Residential		782,757,000
Smallholdings - Agriculture		93,552,000
Smallholdings - Other		5,304,017
Smallholdings - Residential		54,470,000
State Public Service Purpose		404,733,000
State Trust Land		89,880,000
Tourism & Hospitality Rural		363,780,000
Vacant Land		97,066,000
Worship		12,070,000
		6,363,949,017
Valuations restated		
Agriculture		4,124,279,000
Business & Commercial		528,662,000
Impermissable		28,884,000
Industrial		20,400,000
Municipal		79,194,000
Protected Areas		60,827,000
Public Benefit Organisations		68,170,000
Public Service Infrastructure		1,782,000
Public service purpose		450,292,000
Residential		917,309,017
Vacant Land		84,150,000
		6,363,949,017

2023

Value added tax receivables

During the current year it was noted, that Value added tax receivable from the south Africa revenue service, was offset against the accruals both input and output that have been raised relating to value added tax. Below is an analysis of amount previously reported:

Input Value added tax - Accrual	(2,525,554)
Output Value added tax - Accrual	1,521,389
Value added tax - SARS	(370,915)
Value added tax receivable	(1,375,080)

Unspent conditional grants

During the current year it was noted, that the funds from the department of Human Settlement were not accounted for in terms of GRAP 109 - Accounting By Principals And Agents. Unspent conditional grants, presented in the prior year, has been consolidated with unspent agent funds, under payables from non-exchange transaction.

Unspent Conditional grants	(5,624,057)
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Statement of Financial Position for period ended 30 June 2023

Current Assets

Value added tax receivables	(1,375,080)
Receivables from non-exchange transactions	2,896,469
	1,521,389

Current Liabilities

Payables from exchange transactions	1,521,389
Unspent conditional grants	(6,354,962)
Payables from non-exchange transactions	6,354,962
	1,521,389



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A Better Place for All

22ND JANUARY 2025

COUNCIL RESOLUTION NO."2025/01/273"

REPORT ON THE DRAFT 2023/2024 ANNUAL REPORT:

This serves to confirm that at a Special Council Meeting held on the 22nd January 2025, the following resolutions were adopted.

RESOLUTIONS:

- That Council notes the Draft 2023/2024 Annual report.

Proposed by: Cllr. M.M. Dlamini

Seconded by: Cllr. I.T. Shoba

.....
MR. N.C. VEZI
MUNICIPAL MANAGER

23-01-2025
.....
DATE