

**MKHAMBATHINI MUNICIPALITY**

**FINAL ANNUAL REPORT**

**2023/2024**

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# CHAPTER 1 – MAYOR’S FOREWORD AND EXECUTIVE SUMMARY

## COMPONENT A: MAYOR’S FOREWORD

|  |
| --- |
| I am honoured to present the 2023/2024 Annual Report of the Mkhambathini Municipality. Much is still expected by the community from local government and those expectations continue to be our driving force this financial year and those to come.  The municipality is in continued engagements with uMgungundlovu District Municipality, Department of Transport, Department of Co-operative Governance and Traditional Affairs and Department of Human Settlements and various other entities, to find ways of addressing backlogs and hurdles that we face in ensuring efficient and effective service delivery for all.  The vision of Mkhambathini Municipality is that: “By 2030 Mkhambathini Municipality will be the KwaZulu Natal’s mega-hub for industries, tourism and agriculture along the N3 Corridor which provides for a socially cohesive environment.”  Considering the vision of the Municipality, we continue to make financial decisions that will bring us closer to fulfilling this vision under uncertain climates such as a weak economy, volatile political dynamics, rising costs of living and ever-increasing service delivery expectations. We intend to take full advantage of our location within the N3 Corridor and will create a conducive environment for investors to come in.  The draft IDP and Budget Public Participation consultative engagements were carried out in the month of April 2023, the Mayoral Outreach Roadshow programme were successfully carried in all Wards in the month of November 2023. The exercise is aimed at gathering issues impacting the community which will inform the budget. We understand that not all citizens can be present during roadshows to echo their views and needs, hence we encourage engagement on our social/electronic media platforms such as radio stations, website, the municipal Facebook page and our Whatsapp line.  Projects undertaken by the municipality took off and some have been completed to the delight of the community:  Projects:  Chibini Access Road  Banqobile Sports Field  Jilafohla Access Road  Mkhize Access Road  Makholweni Access Road  Makhokhoba Bridge and Road  Makholweni, Mpangisa , and Dwengu infills electrification.  There are three catalytic projects that are confirmed to take off and promise to benefit, development, business and community when implemented, these are the construction of the Camperdown Wastewater Treatment Plant, Development of a New Town (industrial, commercial, and residential projects) and the Nkanyezini Reservoir. We have a responsibility to transform our economy and achieve economic freedom for our citizens.  As a category, B municipality (small scale), we don’t have the capacity to deliver all basic services hence maintain engagements with uMgungundlovu District Municipality, who provide water, Department of Transport, Department of Co-operative Governance and Traditional Affairs and Department of Human Settlements and various other entities, to find ways of fast tracking efficient and effective service delivery for all.  We continue to respond to the needs of people living on farmlands, who are desperate for access to our services. We are making a dent to these needs slowly but surely with the provision of electricity halls, houses and water.  The municipality has approved an indigent register with an aim of assisting poor households. Through the Expanded Public Works Program (EPWP) we are able to provide temporary employment that is able to bring social relief to many young and old people currently unemployed.  Again, this year we have maintained an unqualified audit finding and we remain committed to improving our performance in the years ahead. We are confident that we will meet the expectations of our stakeholders as we drive the implementation of our long, medium, and short-term strategies. The Council has taken a robust approach in ensuring that all Council Committees remain functional and result driven.  We remain undeterred as a Council and its administration in attaining our vision of having a sustainable, developmental municipality with improved quality of life for its entire people in areas of basic service, social, economic, and environmental development.  \_\_  Cllr N.W Ntombela  His Worship the Mayor |

## COMPONENT B: EXECUTIVE SUMMARY

### MUNICIPAL MANAGER’S OVERVIEW

|  |
| --- |
| **MUNICIPAL MANAGER’S OVERVIEW**  It is my pleasure to share the achievements attained by the municipality during the year under review. This document sets out a clear vision for our future as a municipality which is dominantly rural, rich in agriculture and tourism potential. The N3 is identified in the Spatial Growth and Development Strategy as a provincial corridor in the municipal area.  The Municipality in striving for greater outputs has managed to consolidate and finalize the Annual Financial Statements we consolidated the Annual Performance Report in house without any assistance from consultants. We commend ourselves for maintaining an unqualified audit report finding, this keeps us on track on our goal towards achieving clean audits in coming years. The year signified a turning point for the municipality in several areas of performance, Good Governance, Municipal Transformation and Institutional Development, Basic Service Delivery, Cross -Cutting issues, Local Economic Development, and Financial Viability.  It has proved to be a great year with all senior manager’s position filled, this has resulted in the tightening up of processes and allowed for proper leadership and guidance of municipal personnel. A full manager composition allowed us to achieve:   * Continued engagement with Ward constituency. * Ensured functional Public Accounts Committee. * Ensured rapid response to community issues that threaten service delivery. * Transform the municipality into a performance driven institution.   Policy Developments:  The year under review saw localised policy implementations geared towards bringing us closer to working more efficiently under proper guidelines that promise to make service delivery better in coming years. A set of strategy guidelines were formulated the following area:  •Budget Policy  •Rates Policy  •Tariff Policy  •Cash Management Policy  •Investment policy  •Supply Chain Management Policy  •Debt and Credit Control Policy  •Assets Management Policy  •Indigent Policy  The approval and yearly review of these policies brings us in alignment with the Sustainable Development Goals, The National Development Plan, National Outcomes and District Development Model. Our intention going forward is to:  •Successfully implement a new Valuation Roll with minimum of 5 years supplementary Valuation Roll.  •Improve financial reporting based on MSCOA requirements.  •Improve debts collection to boost municipal cash flow.  •To archive Clean Audit opinion (AGSA).  •Continuous municipal budget related policies.  •To manage our assets and liabilities (i.e., Current Ratio: Norm2:1).  •To manage cash coverage norm (Norm :3 months).  •Implement cost cutting measures.  •Create a conducive environment for job creation and economic growth.  •Annual preparation of a funded budget as per the MFMA.  Developments around the N3 Corridor have been high on our agenda, with the intention been to align the municipality to reap the full benefits of development for our small-town Camperdown and surrounding areas, that come with opportunities of employment for many of our community members seeking employment.  The availability of land for development remains a challenge as most land surrounding the municipality is privately owned and the remainder is in the hands of Ingonyama Trust however the privately owned land within the vicinity of our town is currently being developed for dry port storages.  We would like to thank our Council, our community at large for allowing us to work together with them to fulfil the municipal mandate.    \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  Mr. S MNGWENGWE  MUNICIPAL MANAGER  *T 1.1.1* |

### MUNICIPAL FUNCTIONS, POPULATION AND ENVIRONMENTAL OVERVIEW

**INTRODUCTION TO BACKGROUND DATA**

**BACKGROUND DATA**

**Vision**

“By 2030 Mkhambathini Municipality will be the KwaZulu Natal’s mega-hub for industries, tourism and agriculture along the N3 Corridor which provides for a socially cohesive environment.”

**Mission Statement**

Mkhambathini Municipality commits itself to the following:

• Upholding our leadership vision.

• Working with integrity in an accountable manner towards the upliftment of the community.

• Protecting and enhancing the interest of our clients always.

• Consistently performing our function with transparency honesty and dedication in dealing with clients.

• Responding promptly to the needs of our clients.

• Subscribing to the Batho Pele principles

The mission statement acknowledges the objects of Local Government which are outlined in chapter 7 of Local Government Legislation. That will give an effect through the IDP and the associated sector plans. It also seeks to align the municipal strategic activities, structure and resource allocation with the powers and functions as prescribed in the Constitution of the Republic of South Africa in Chapter 7.

**Goals and Objectives**

The Mkhambathini Municipality’s IDP adopted a long-term planning perspective, but also present a short to medium term strategic agenda and detailed five-year programme commencing in the 2023/2024 financial year ending in 2026/2027 financial year. This period coincides with the term of office of the incumbent council and aligns with the budget cycle.

To build an efficient and sustainable local government structure.

To promote an equitable access to infrastructure and basic services.

To create a condition conducive to economic development.

To promote sustainable social and economic development.

To create a spatial framework that facilitates an equitable distribution of development.

To promote sustainable and integrated land use pattern.

To create of a Newtown that promotes local economic development.

To prioritize the municipality’s catalytic projects which focus on the Wastewater Treatment Works.

To strengthen intergovernmental relations to ensure the resuscitation of the railway network, accelerating the interchange upgrade programme and augment the water storage facility.

To develop the municipality’s public transport network.

To ensure provision of socio-economic infrastructure that provides for a full range of housing types, educational facilities, health facilities.

The following long-term development goals have been identified and are aligned to the Provincial Growth and Development Strategy based on the above key performance areas,

 government legislation and given effect through the IDP and the associated sector plans. It also seeks to align the municipal strategic activities, structure, and resource allocation with the powers the goals of the municipality are aligned to the 7 Goals of The Provincial Growth and Development Strategy.

*T 1.2.1*

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Population Details** | | | | | | |
|  |  |  |  |  | **Population '000** | |
| **Age** | **Year -1** | | | **Year 0** | | |
| **Male** | **Female** | **Total** | **Male** | **Female** | **Total** |
| Age: 0 - 4 | 4236 | 4327 | 8562 | 4301 | 4396 | 8697 |
| Age: 5 - 9 | 3900 | 3820 | 7720 | 3977 | 3888 | 7865 |
| Age: 10 - 19 | 2882 | 2860 | 5742 | 3583 | 3640 | 7223 |
| Age: 20 - 29 | 3570 | 3497 | 7068 | 6495 | 6452 | 12947 |
| Age: 30 - 39 | 2508 | 2734 | 5242 | 6018 | 6365 | 12383 |
| Age: 40 - 49 | 1626 | 1824 | 3451 | 3531 | 4162 | 7694 |
| Age: 50 - 59 | 993 | 1309 | 2302 | 1028 | 1345 | 2373 |
| Age: 60 - 69 | 517 | 786 | 1302 | 677 | 1116 | 1793 |
| Age: 70+ | 274 | 644 | 918 | 278 | 667 | 945 |
| *Source: Statistics SA T 1.2.2* | | | | | | |

|  |
| --- |
| Our municipality is made up of a total population of 57 075 in 2016, and 54 933 in 2011, with a growth rate of 0.87. The above graph shows that our population is dominated young people, especially between 15 and age 29. This presents the municipality with a focus area to address needs around this group.  The background data is mainly in terms of census 2011 and some of Community Survey 2016 as provided by the Statistic South Africa. |

*T1.2.3*

|  |  |
| --- | --- |
|  | ***Population*** |
| ***WARD 1*** | ***11462*** |

|  |  |
| --- | --- |
|  | ***Population*** |
| ***WARD 2*** | ***10211*** |

|  |  |
| --- | --- |
|  | ***Population*** |
| ***WARD 3*** | ***7591*** |

|  |  |
| --- | --- |
|  | ***Population*** |
| ***WARD 4*** | ***9196*** |

|  |  |
| --- | --- |
|  | ***Population*** |
| ***WARD 5*** | ***8462*** |

|  |  |
| --- | --- |
|  | ***Population*** |
| ***WARD 6*** | ***8911*** |

|  |  |
| --- | --- |
|  | ***Population*** |
| ***WARD 7*** | ***7309*** |



*T 1.2.*

|  |  |  |
| --- | --- | --- |
| **Overview of Neighbourhoods within Mkhambathini** | | |
| **Settlement Type** | **Households** | **Population** |
| Towns |  |  |
| Camperdown | 1655 | 6896 |
| Umlaas Road |  |  |
| Sub-Total | 1655 | 6896 |
| Townships |  |  |
|  |  |  |
| Sub-Total | 1655 | 6896 |
| Rural settlements |  |  |
| Ward 1 | 2243 | 11462 |
| Ward 2 | 1955 | 10211 |
| Ward 3 | 1655 | 6896 |
| Ward 4 | 3007 | 7068 |
| Ward 5 | 1452 | 8429 |
| Ward 6 | 3052 | 8585 |
| Ward 7 | 1497 | 7275 |
| Sub-Total | 14861 | 59926 |
| Informal settlements |  |  |
|  |  |  |
| Sub-Total | 4762 | 22221 |
| Total | 18171 | 73718 |
|  | *T 1.2.6* | |

|  |  |
| --- | --- |
| **Natural Resources** | |
| **Major Natural Resource** | **Relevance to Community** |
| Nagel Dam | Recreation activities |
| Umlaas River | Water Resource/ resource/ irrigation |
| Umkomaas River | Water Resource/ resource/ irrigation |
| Msunduzi River | Water Resource/ resource/ irrigation |
| Thornlea Dam | Recreation activities, irrigation |
| Table Mountain | Tourism Potential |
| Camperdown Dam | Recreation activities |
| Mpushini | Conservancy |

*T 1.2.7*

**COMMENT ON BACKGROUND DATA:**

**MUNICIPAL FUNCTIONS**

The Municipality has the functions and powers assigned to it in terms of Section 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 municipality.

Whilst the Local Municipality is tasked with the day-to-day delivery, it also coordinates its activities with the district and seeks guidance on issues that affect the delivery of services of a local municipality. The Municipal functions are indicated below:

* *Building Regulations*
* *Storm Water Management Systems in build-up areas.*
* *Trading Regulations.*
* *Billboards and the display of advertisements in public places.*
* *Control of public nuisances.*
* *Street lighting.*
* *Traffic and Parking.*
* *Control of undertakings that sells liquor to the public.*
* *Fences and fencing.*
* *Licensing and control of undertakings that sell food to the public.*
* *Local amenities e.g., halls*
* *Local sports facilities.*
* *Municipal parks and recreation.*
* *Noise pollution.*
* *Public places.*
* *Street trading; and Local Economic Development*
* *Library*

*T 1.2.8*

### SERVICE DELIVERY OVERVIEW

SERVICE DELIVERY INTRODUCTION

Although the Mkhambathini Local Municipality has made significant progress in addressing service delivery backlogs and promoting development within its area of jurisdiction, there are still several key development challenges that face the municipal area and its people.

uMgungundlovu District Municipality is the Water Services Authority and the Water Service Provider for the local municipalities. They are responsible for the provision of Water and Sanitation Services. The basic Water Services in Mkhambathini is community standpipes within 200m- 800m radius of all households.

Efficient and adequate supply of water services for domestic consumption and for economic development is an important challenge facing the District Municipality in its capacity as the Water Services Authority. The Umgeni Water Infrastructure Master Plan of 2021 and 2022 indicated that the demand on the Umgeni catchment currently exceeds the available yield. The risk of water restrictions within the next few years is unacceptably high because of the ever-increasing demands on the Umgeni system. The district faces serious water delivery problems and in particular, water supply in the municipality is as follows:

The opportunity for rainwater harvesting as a strategy to improve access to water, especially in rural areas and poorer communities, should be investigated. Local communities can be trained in water harvesting and storage, as well as the treatment of water for domestic purposes. Although alternative water sources are not regarded as sustainable alternatives, it does provide additional options to conventional water supply.

In this respect, the following opportunities are available:

* Recycling of grey water.
* Optimize the re-use of wastewater.
* Supporting subsistence and emerging agriculture (e.g., alternative irrigation supply) and promoting more effective soil erosion control. It should be noted that it is not merely ‘technologies’ which should be applied but also simple and well-known methodologies such as composting, mulching, and the efficient use of water etc.
* Ensuring more effective water demand management (reducing the demand for costly and energy expensive purified water by reducing leakages and promoting more responsible consumer usage by means of mix of penalties and incentives). This is particularly important in the urban areas. Promoting more energy efficient buildings and industry (by means of a mix of increased standards for compliance on new buildings, incentives such as rates rebates, and education and awareness).
* Urban settlements should be supplied with water within the house.

Access to sanitation within Mkhambathini Municipality rural areas is in the form of ventilated improved pit latrines and septic tanks and sewer lines within the Camperdown Town . The Community Survey 2016 is revealing a positive story in the sense that access to sanitation at an RDP Standard has increased from 18.4% in 2011 to 56% in 2016, an increase by 37%. This point to the functionality of intergovernmental relations efforts by the municipality, uMgungundlovu District Municipality and sector departments ensure that all households have access to a dignified sanitation in Mkhambathini Local Municipality.

The municipality is depended on septic tanks, we don’t have sanitation system within the municipality , all the residents are managing their own sanitation using septic tanks.



*T 1.2.9*

COMMENT ON ACCESS TO BASIC SERVICES:

The Constitutional objectives for local government are set in section 152 and are as follows:

• To provide democratic and accountable government of local communities

• To ensure the provision of services to communities in a sustainable manner

• To promote social and economic development

• To promote a safe and healthy environment

• To encourage the involvement of communities and community organisation in matters of Local Government

A central challenge for the municipality has been its viability and ability to build strong departments capable of delivering on the principles of Section 53 of the Constitution which states that:

A municipality must structure and manage its administration and budgeting and planning process to give priority to the basic needs of the community, and to promote the social and economic development of the community and participate in national and provincial development programmes’.

This is in line with the basic services and infrastructure investment priorities. The Technical Services Department through the assistance of municipal manager’s office was able to turn around the slow delivery and finalization of projects. This was done through continuous engagement with our consultants and contractors, as a result the municipality was able to move from a red status to a green status. uMgungundlovu District Municipality has several water and sanitation projects that have been planned for current intervention and implemented for Mkhambathini Local Municipality. Currently, UMDM has no Infrastructure Asset Management Plan and Infrastructure Procurement Strategy. UMDM is in the process of compiling both the Infrastructure Asset Management Plan and the Infrastructure Procurement Strategy.

Furthermore, a planning and development shared service model led by uMngeni Municipality have assisted the municipality in the speedy implementation of the Spatial Planning and Land Use Management Act 16 of 2014.

The background data is mainly in terms of census 2011 and some from the Community Survey 2016 as provided by the Statistic South Africa

### FINANCIAL HEALTH OVERVIEW

FINANCIAL OVERVIEW

In terms of section 62 of the MFMA, the accounting officer of a municipality is responsible for managing the financial administration of the municipality. The financial services department has been established to address this responsibility. The financial services department comprises the following sub departments: Expenditure and Assets, Budget, Treasury and Revenue and Supply Chain Management.

Annual Financial Statements:

As per section 122 and 126 of the MFMA, the municipality must for each financial year prepare annual financial statements which must be submitted by the 31 August to the Auditor General.

The annual financial statements for the financial year 2023/2024 were compiled in terms of Generally Recognized Accounting Practice (GRAP) and was submitted to Auditor-General on the 30 August 2024.

The Mkhambathini Municipality has a clear workable financial plan in line with the Three-year funding model. Furthermore, the municipality is viable and is striving to remains viable, this is assisted by Senior Managers being able to analyse financial reports and identify risks related to municipal spending patterns. The municipality always strives to be realistic in budgeting given its limited revenue streams.

*T 1.4.1*

|  |  |  |  |
| --- | --- | --- | --- |
| **Financial Overview: Year 0** | | | |
|  |  |  | **R' 000** |
| **Details** | **Original budget** | **Adjustment Budget** | **Actual** |
| Income: |  |  |  |
| Grants | 108064 | 106834 | 106834 |
| Taxes, Levies and tariffs | 24850 | 24850 | 25117 |
| Other | 12400 | 113836 | 112986 |
| Sub Total | 145314 | 245520 | 244936 |
| *Less:* Expenditure | 140608 | 249519 | 247678 |
| Net Total\* | 4705 | -3999 | -2742 |
| *\* Note: surplus/(deficit)* |  |  | *T 1.4.2* |

COMMENT ON OPERATING RATIOS:

The operating ratios are within the norm and making the municipality financially viable for the 2023/2024 financial year.

*T 1.4.3*

|  |  |  |  |
| --- | --- | --- | --- |
| **Total Capital Expenditure: Year -2 to Year 0** | | | |
|  |  |  | **R'000** |
| **Detail** | **Year -2** | **Year -1** | **Year 0** |
| Original Budget |  | 31621 |  |
| Adjustment Budget | 24381 | 49067 |  |
| Actual |  | 59715 |  |
|  |  | *T 1.4.4* | |



*T 1.4.5*

COMMENT ON CAPITAL EXPENDITURE:

The municipal expenditure has increased from R1 40608414 in 2023/2024 adjusted budget to R2 49518867 in 2023/2024 financial year final budget. This represents a 44 % growth, or a Rand figure of R108910453.

Operating expenditure of the Mkhambathini Municipality for 2023/2024 Financial Year (23%) is employee related costs, (39%) contracted services, (28%) other expenditure, (5%) depreciation and impairment of assets and (3%) will be spent on the remuneration for councillors. Given that the National Treasury prescribes a 40% threshold for employee related expenses.

*T 1.4.5.1*

### ORGANISATIONAL DEVELOPMENT OVERVIEW

ORGANISATIONAL DEVELOPMENT PERFORMANCE

After having gone through the policy reviews and adopted them in the previous financial year, we are operating smoothly as an organization.

Several training initiatives were undertaken for both internal staff and local youth. This took place within the year under review and some of the training programs will be rolled over in the next financial year.

*T 1.5.1*

### AUDITOR GENERAL REPORT

AUDITOR GENERAL REPORT: 2022/2023

Over the years, the municipality has received a positive outcome from the audits that are undertaken by the Office of the Auditor-General per annum. This is evidenced from the unqualified audit opinions that were received for four consecutive years. Mkhambathini Municipality has developed an audit action plan based on the key findings raised and recommendations by the Auditor General.

The municipality has for the last 3 years received an unqualified audit opinion.

Audited Outcomes:

2020/2021- unqualified audit

2021/2022- unqualified audit

2022/2023 - unqualified audit

The audit action plan will be a standing item on the Audit and Performance Audit Committee and MPAC.

*T 1.6.1*

### STATUTORY ANNUAL REPORT PROCESS

Circular 63 of the Municipal Finance Management Act 56 of 2003 (MFMA) suggest that the Annual Report be as follows:

The Annual Report of a municipality and every municipal entity must be tabled in the municipal council on or before 31 January each year (MFMA S127). In order to enhance oversight functions of Councils, please note that this must be interpreted as an outer deadline; hence municipalities must submit the Annual Reports as soon as possible after

year end, namely, August. The entire process is concluded in the first or second week of December for all municipalities, the same year in which the financial year ends and not a year later, as is currently the case. The activities, implications, process/role-player and timeframes are described below for ease of reference and implementation. It is expected that effective management of performance will also result from this change.

| **No.** | **Activity** | **Timeframe** |
| --- | --- | --- |
| 1 | Consideration of next financial year’s Budget and IDP process plan. Except for the legislative content, the process plan should confirm in-year reporting formats to ensure that reporting and monitoring feeds seamlessly into the Annual Report process at the end of the Budget/IDP implementation period | July |
| 2 | Implementation and monitoring of approved Budget and IDP commences (In-year financial reporting). |
| 3 | Finalise the 4th quarter Report for previous financial year |
| 4 | Submit draft year 0 Annual Report to Internal Audit and Auditor-General |
| 5 | Municipal entities submit draft annual reports to MM |
| 6 | Audit/Performance committee considers draft Annual Report of municipality and entities (where relevant) | August |
| 8 | Mayor tables the unaudited Annual Report |
| 9 | Municipality submits draft Annual Report including consolidated annual financial statements and performance report to Auditor General |
| 10 | Annual Performance Report as submitted to Auditor General to be provided as input to the IDP Analysis Phase |
| 11 | Auditor General audits Annual Report including consolidated Annual Financial Statements and Performance data | September – October |
| 12 | Municipalities receive and start to address the Auditor General’s comments | November |
| 13 | Mayor tables Annual Report and audited Financial Statements to Council complete with the Auditor- General’s Report |
| 14 | Audited Annual Report is made public, and representation is invited |
| 15 | Oversight Committee assesses Annual Report |
| 16 | Council adopts Oversight report | December |
| 17 | Oversight report is made public |
| 18 | Oversight report is submitted to relevant provincial councils |
| 19 | Commencement of draft Budget/ IDP finalization for next financial year. Annual Report and Oversight Reports to be used as input | January |
| *T 1.7.1* | | |

COMMENT ON THE ANNUAL REPORT PROCESS:

The main purpose of this report is to account to MEC for Local Government, Provincial legislature, NCOP, Minister of Cooperative Governance and Traditional Affairs, National Treasury, Auditor-General and to the citizens of South Africa on progress being made by municipalities towards achieving the overall goal of “a better life for all”. Furthermore, the report is a key performance report to the communities and other stakeholders in keeping with the principles of transparency and accountability of government to the citizens. It subscribes to the South African developmental nature of participatory democracy and cooperative governance and responds to the principles of the Constitution, Batho Pele, White Paper on Local Government, MSA and the MFA

The Assessment Process and the Methodology followed in Compiling the Report

According to the provisions of the Municipal Systems Act, 32 of 2000, municipalities must monitor and measure the progress of their performance by preparing quarterly and mid-year performance reports, in terms of Chapter 6 of the MSA, on performance management systems. These quarterly and mid-year reports make up the municipalities’ annual performance reports (Section 46 report), which are submitted to the Auditor-General, together with the financial statements, for auditing. After adoption of the audited performance report by the municipal council, it must then be submitted to the MEC for Local Government.

This Annual Report must now be tabled by the end of January 2025 and the Oversight Report must be submitted to the Municipal Council by the end of March 2025.

*T 1.7.1.1*

# CHAPTER 2 – GOVERNANCE

INTRODUCTION TO GOVERNANCE

To promote accountability to the local community for the decisions made throughout the year by the municipality as per Section 121 (2)(c) of the Municipal Finance Management Act read in conjunction with the Section 18(1)(d) of the Municipal Systems Act, the Municipality must ensure that the relevant governance structures exist and are functional. Both the political and administrative structures of the municipality need to be fully capacitated in terms of numbers and of skills.

Section 16 (1) of the Municipality Systems Act requires municipalities to develop a culture of municipal governance that complements formal representative government with a system of participatory local government. As such, the municipality has adopted a ward committee system and established such structures in all 7 municipal wards. The ward committees represent diverse interests and serve as the means for public participation in the IDP and municipal affairs generally.

The Ward Committees played a meaning full role during IDP/ Budget Izimbizo’s as they outline the prioritization list of the communities per ward. The municipality has utilised the services of Ward Committees to do research on service delivery backlogs on all wards and it also has utilised the ward committees to educate the community on the outbreak of the Covid-19 and emphasize the importance of the regulations and measures that need to take cognizance of the basic services within the community.

In drafting this Annual Report, the intention is not only to comply with relevant legislation but to promote accountability for the decisions that Council undertook in the financial year 2023/2024. Critical to appropriate decision making are mandatory committees that Council should establish, to ensure that the nine characteristics of good governance are adhered to namely: Participation, Rule of Law, Transparency, Responsiveness, Consensus Oriented, Equity & Inclusiveness; Effectiveness and Efficiency, Accountability as well as Sustainability.

The focus of this Chapter is on Governance Structures, Intergovernmental Relations, Public Accountability & Participation as well as Corporate Governance.

*T 2.0.1*

## COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE

INTRODUCTION TO POLITICAL AND ADMINISTRATIVE GOVERNANCE

*Note: The Constitution section 151 (3) states that the council of a municipality has the right to govern on its own initiative, the local government affairs of the local community.*

To promote accountability to the local community for the decisions made throughout the year by the municipality as per Section 121 (2)(c) of the Municipal Finance Management Act read in conjunction with the Section 18(1)(d) of the Municipal Systems Act, the Municipality must ensure that the relevant governance structures exist and are functional. Both the political and administrative structures of the municipality need to be fully capacitated in terms of numbers and of skills.

*T 2.1.*

### POLITICAL GOVERNANCE

INTRODUCTION TO POLITICAL GOVERNANCE

*Note: MFMA section 52 (a): The Mayor must provide general political guidance over the fiscal and financial affairs of the municipality*

To promote accountability to the local community for the decisions made throughout the year by the municipality as per Section 121 (2)(c) of the Municipal Finance Management Act read in conjunction with the Section 18(1)(d) of the Municipal Systems Act, the municipality must ensure that the relevant governance structures exist and are functional.

The Municipality has a total of 14 Councillors comprising of 7 Ward Councillors and 7 Proportional Representatives (PR ‘s). Each of the 7 Wards have fully functional Ward Committees that serve to enhance public participation in municipal affairs.

*T 2.1.1*

|  |  |  |  |
| --- | --- | --- | --- |
| **MAYOR** | **DEPUTY MAYOR** | **SPEAKER** | **EXCO MEMBER** |
|  |  |  |  |
| Cllr N Ntombela (ANC) | Cllr N Maphanga (ANC) | Cllr T. Gwala (ANC) | Cllr. R. Mofokeng (IFP) |
|  | A person in a blue shirt sitting on a table  Description automatically generated |  |  |
| Cllr M. Cele (ANC) | Cllr S Ngidi (ANC) | Cllr N. Maphumulo (ANC) | Cllr. M Lushaba (ANC) |
|  |  |  |  |
| Cllr NE Ndlovu (ANC) | Cllr L. Lembethe (ANC) | Cllr S. Mdladla (EFF) | Cllr M. Mkhize (IFP) |
|  |  |  |  |
| Cllr Z.S Mkhize (EFF) | Cllr M. Ngcongo(DA) |  |  |

COUNCILLORS

The Executive Committee (EXCO) consists of four members, representative of two political parties. The EXCO is the principal structure that governs the municipal operations and as such, convenes monthly. The EXCO makes recommendations to Council emanating from discussions of Council Committees. It should be noted that in the Executive Committee did not sit due to non-availability of members due to Local Government Elections and the requirement for the 1st Council meetings which sat on the 22 and 29 November 2021

*T 2.1.2*

POLITICAL DECISION-TAKING

In terms of Section 152 of the Constitution, the Council has convened to ensure the adoption of the IDP/Budget and Performance Management System Process, the IDP, Budget, Organizational Scorecard, SDBIP, Performance Management related reports and other service delivery related deliberations. It should be noted that 11 meetings were planned for the period under review 1 Special Council meetings was convened, 11 Full Council meetings and 11 EXCO meetings were held.

*T 2.1.3*

### 2.2 ADMINISTRATIVE GOVERNANCE

INTRODUCTION TO ADMINISTRATIVE GOVERNANCE

*Note: MFMA section 60 (b): The Municipal Manager of a municipality is the accounting officer of the municipality for the purposes of this Act and must provide guidance on compliance with this Act to political structures; political office bearers, and officials of the municipality and any entity under the sole or shared control of the municipality.*

In drafting this Annual Report, the intention is not only to comply with relevant legislation but to promote accountability for the decisions that Council undertook in the financial year 2023/2024. Critical to appropriate decision making are mandatory committees that each Council should establish to ensure that the nine characteristics of good governance are adhered to namely: Participation, Rule of Law, Transparency, Responsiveness, Consensus Oriented, Equity & Inclusiveness; Effectiveness and Efficiency, Accountability as well as Sustainability.

The administration is headed by the Municipal Manager who is also the Accounting Officer. The Municipal Manager is further responsible and accountable for the formation and development of an economical, effective, efficient and accountable administration as well as the management of the provision service in a sustainable and equitable manner within the municipality. The administration is made up of the following departments headed by Directors reporting directly to the Municipal Manager: Finance, Corporate and Community Services, and Technical and Infrastructure Services

*T 2.2.1*

|  |  |  |
| --- | --- | --- |
|  | **DESIGNATION** | **FUNCTIONS** |
|  | **Mr. Sanele Mngwengwe**  **Municipal Manager** | The Municipal Manager is the accounting officer of the Municipality, providing leadership on issues of governance. The Municipal manager heads the Municipal Governance and is a Chairperson of Management Committee. He is responsible for the day-to-day management and administration of the municipality. The Municipal Manager operates in terms of the relevant section in the Municipal Structures Act, Municipal Systems Act and the Municipal Finance Management Act. In discharging his responsibilities in the 2023/2024 financial year, the Municipal Manager was assisted by the Management Team**.** |
|  | **Mr. Thokozani Gambu**  **Chief Finance Officer** | The Chief Financial Officer is responsible for managing the financial affairs of the municipality.  The department is responsible for Expenditure Management, Assets, Budgeting, Revenue Management and Supply Chain Management. |

|  |  |  |
| --- | --- | --- |
|  | **Ms. Nonhlanhla Mkhize**  **Director: Community Services** | The Community Services Manager is responsible for the management of several sub-units within the Department namely, HIV/AID Unit, Disaster management Unit, Local Economic Development and Tourism Unit, Youth and Sports Development unit, Motor and Driver Licensing Unit and the  Community Liaison Unit. |
|  | **Mr. Sipho Zulu**  **Director: Technical Services** | The Technical Services Section is entrusted with ensuring that basic services are delivery to the community. This Department consist of unity namely, Planning and Development Unit, Infrastructure Maintenance Unit, Housing Unit and Project Management Unit. |
|  | **Ms. Phumelele Ngubane**  **Director: Corporate Services** | The Admin and Corporate Services section is made of several units namely, Council Support Human Resources Unit, Library Services, Registry Management, ICT, and Security Services Unit. The department is a support unit for all municipality departments. |

## COMPONENT B: INTERGOVERNMENTAL RELATIONS

INTRODUCTION TO CO-OPERATIVE GOVERNANCE AND INTERGOVERNMENTAL RELATIONS

*Note: MSA section 3 requires that municipalities exercise their executive and legislative authority within the constitutional system of co-operative governance envisage in the Constitution section 41.*

The inter-governmental Relations Framework Act (Act No 13 of 2005), requires that all sphere of government coordinate, communicate, align, and integrate service delivery effectively, and to ensure access to services. In this regard Mkhambathini Municipality complies with this provision. Mkhambathini Municipality further participates in the Provincial and District Forums.

These forums provide a platform for engagement on the approval of projects and for coordination and monitoring of expenditure of funded projects.

T 2.3.0

### 2.3 INTERGOVERNMENTAL RELATIONS

NATIONAL INTER-GOVERNMENTAL STRUCTURES

National government departments deal with municipalities in the context of various sector plans. The information on planned projects by sector departments and the district should inform the multi-year plans. The strategic pronouncements from National and Provincial discussed in the District IGR Structures, where the progress is monitored through the District Command Council.

*T 2.3.1*

PROVINCIAL INTERGOVERNMENTAL STRUCTURE

The Inter-Governmental Relations Framework Act, (Act No 13 of 2005), requires all spheres of government to coordinate, communicate, align and integrate service delivery effectively, to ensure access to services. In this regard the Municipality complies with the provisions of the Act.

The municipality does not have a dedicated IGR Official but the functions rest with the office of the Municipal Manager. The office of the MM has been tasked to deal with the intergovernmental relations and to maintain the already existing relations. The resolutions emanated from The Cluster are tabled at the Municipal Council Meetings which are held on a monthly basis and the council is updated on the interventions for the Municipality by the District.

The Inter-governmental Relations Act, (Act No. 13 of 2005), requires all spheres of government to coordinate, communicate, align and integrate services delivery effectively, to ensure access to services. In this regard the Municipality complies with the provision of the Act.

Those forums provide a platform for engagement on the approval of projects and for coordination and monitoring of expenditure on projects which are funded under Municipal Infrastructure Grant projects. uMgungundlovu District has adopted a Cluster Model to share best practices amongst its Local Municipalities.

IGR reports are table at council meeting which are held on monthly basis. There are various IGR sector specific forums that are established between UMgungundlovu District Municipality and its local municipalities namely:

• Mayor’s Forum

• Municipal Manager’s Forum *T 2.3.2*

RELATIONSHIPS WITH MUNICIPAL ENTITITIES

The municipality believes that if we are honest and open in our everyday dealings and communications with other people, if we always fulfil our commitment and practice trust, tolerance, and respect, only then can we achieve dignity and integrity. Every day of our lives we are faced with choices and easy options that are filled with promises of wealth.

We need to take responsibility for our choices. It is becoming increasingly difficult to stay honest and open, especially considering the ever-changing environment around us. Our obligation is to be true to ourselves and our commitments. In the long run we will achieve more in life than those who sold out their principles for the short-term gain.

We expect people to trust us, and therefore it is up to us to give them the reasons to trust us. Our reputation of today will be based on our actions of the past. Our actions today are the building blocks of our future reputation.

People at our municipality hold dearly specific rich and positive values. Therefore, our employees' commitment to these values is the only single weapon against corruption and fraud.

The Internal Audit Activity assisted in communicating the policy and workshops were conducted. Further to that we have a fraud and corruption phone line 0607120866.

*T 2.3.3*

DISTRICT INTERGOVERNMENTAL STRUCTURES

uMgungundlovu District IGR Structures are in existence and functional. The IGR Structures are chaired by respective Municipal Manages as follows:

*The introduction of DDM in the District Municipality, the forums are being reconfigured:*

*• Economic & Infrastructure Cluster,*

*• Governance & Finance Cluster*

*• Communications*

*• Justice, Policing*

*• Social & Community*

*The Mayor, Municipal Manager, Directors and municipal officials participate fully in the DDM clusters the table below provides an overview of the Municipal officials who participate in the clusters:*



*uMgungundlovu District IGR Structures are in existence and functional. The IGR Structures are chaired by respective Municipal Managers.*

*T 2.3.4*

## COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION

OVERVIEW OF PUBLIC ACCOUNTABILITY AND PARTICIPATION

*Note: MSA section 17 (2): requires a municipality to establish and organise its administration to facilitate a culture of accountability amongst its staff. Section 16 (1): states that a municipality must develop a system of municipal governance that compliments formal representative governance with a system of participatory governance. Section 18 (a) - (d): requires a municipality to supply its community with information concerning municipal governance, management and development.*

During 2023/2024 financial year, the municipality had seven functional ward committee structures which serve as a conduit between the municipality and the community. Over and above the existence and functioning of ward committees the municipality published its Service Delivery and Budget Implementation Plan on a quarterly basis on the municipal website. This seeks to ensure that the public is continuously informed on the achievement of set goals and targets.

The municipality has installed suggestion boxes at all municipal Wards. This initiative gives the community a platform to raise their needs as well as their suggestions and complaints to the municipality.

The public participation unit has now developed the new client satisfaction questionnaire in two languages IsiZulu and English. After this system was disrupted by the COVD-19, the municipality came up with the system of circulating the client satisfaction questionnaire through ward committee members and ward assistants to obtain as many community opinions as possible.

The Public Participation unit collects the satisfaction questionnaire weekly and discusses whatever issues encountered in the MRRT and ICMS forum meeting.

*T 2.4.0*

### 2.4 PUBLIC MEETINGS

|  |
| --- |
| COMMUNICATION, PARTICIPATION AND FORUMS  The IDP, PMS and Budget process plan for 2023/2024 financial year was approved by Council in August 2022. After the approval of the IDP, PMS and Budget process plan 2023/2024 financial year, a public notice was posted on the municipal website. The process plan reflected the different activities and milestones in terms of the IDP, review, PMS and Budget implementation and monitoring.  During IDP review process a Draft IDP 2023/2024 was made available for public comments and placed at strategic areas within the municipal area of jurisdiction, for members of the public to comment and make suggestions the document was upload on the municipal website and available in the municipal offices for public comments. *T 2.4.1* |

WARD COMMITTEES

During the 2023/2024 financial year, the municipality had seven functional ward committees which serve as a conduit between the municipality and the community. Ward meetings were held, and the purpose is always to convey issues from community and seek solutions from the municipality or UMDM or provincial stakeholders present. Over and above the existence and functioning of ward committees the municipality published its Service Delivery and Budget Implementation Plan on a quarterly basis on the municipal website. This seeks to ensure that the public is continuously informed on the achievement of set goals and targets.

The municipality is a developmental local government structure that is committed to working with citizens and organized interest groups to find sustainable ways to meet their social, economic and material needs and improve the quality of their lives.

According to Municipal Structures Act, Section 74(a)(ii) the ward committee go through the ward councillor to table their service delivery issues at the Municipal Council. The municipality comprises of 7 Wards and the review of the IDP took into consideration the service delivery issues emanated from the ward committees within the jurisdiction of the municipality.

This assertion complements the right of communities to participate in the decisions that affect development in their respective areas, and a corresponding duty on the municipality to encourage community participation in matters of local governance. The municipality achieves this goal mainly through Ward Committee structures and a variety of other measures designed to foster open, transparent, and consultative municipal governance.

Section 16 (1) of the Municipality Systems Act requires municipalities to develop a culture of municipal governance that compliments formal representative government with a system of participatory local government. As such, the municipality has adopted a ward committee system and established such structures in all 7 Wards. The ward committees represent diverse interests and serve as the means for public participation in the IDP and municipal affairs generally and the full role during IDP/ Budget Izimbizos’s. The Municipality has utilised the services of ward committees to do research on electricity, housing and various other basic service delivery backlog on all wards.

Section 59 of the Municipal Structures Act 2000 stipulates that a ward committee must have duties and responsibilities as delegated by the local council,

a) They must assist the ward councillor in identifying conditions, challenges, and the needs of residents,

b) They must spread information in the ward concerning municipal affairs such as budget, community-based planning, integrated development planning, service delivery improvement plan and municipal properties,

c) To receive queries and complaints from ward residents concerning municipal service delivery, communicate it to municipal council and provide feedback to the community on the council response.

Section 81 (1) of the Municipal Structures Act, 117 of 1998 provides for the participation of traditional leaders in municipal councils. The Traditional Councils that participate in Council Settings are Mbambangalo Traditional Council under Inkosi Maphumulo and MaNyavu Traditional Council under Inkosi Mdluli. These Traditional Leaders are an important component of municipal council representative and community stakeholders, and their representative are always invited in the council sitting to participate in the municipal strategies and policy decisions. The Traditional Leadership participate in public engagements which are planned by the municipality.



Refer to **Appendix E** which contains further details on ward committee governance and to **Appendix F** that contains performance data on a Ward-by-Ward basis.

*T 2.4.2*

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Date of events** | **Number of Participating Municipal Councillors** | **Number of Participating Municipal Administrators** | **Number of Community members attending** | **Issue addressed (Yes/No)** | **Dates and manner of feedback given to community** |
| **WARD 1**  3rd Quarter 2023  09/01/2024  06/02/2024  19/03/2024  4th Quarter 2023  09/04/2024  16/04/2024  06/05/2024 IDP  08/05/2024  13/05/2024 | 1  Cllr N.M Maphumulo | 2 | 18  123  47  60  13 | Yes | 13/12/2022  23/04/2023  16/11/2023 Mayoral Outreach Programmes (IDP Roadshows)  05/04/2022 Tabling of Draft Budget and Draft Reviewed IDP 2023/2024 |
| **WARD 2**  3rd Quarter 2023  18/01/2024  17/03/2024  4th Quarter 2023  28/04/2024  08/05/2024 | 1  Cllr. S. Ngidi | 2 | 13  49 | Yes | 13/12/2022  23/04/2023  16/11/2023 Mayoral Outreach Programmes (IDP Roadshows)  06/04/2022 Tabling of Draft Budget and Draft Reviewed IDP 2021/22 |
| **WARD 3**  3rd Quarter Public Meetings  07/01/2024  11/01/2024  15/01/2024  24/01/2024  4th Quarter 2023  14/04/2024  23/04/2024  25/04/2024 x2  08/05/2024  14/05/2024  24/05/2024 x2 | 1  Cllr.N.P. Maphanga | 2 |  | Yes | 13/12/2022  23/04/2023  16/11/2023 Mayoral Outreach Programmes (IDP Roadshows)  07/04/2022 Tabling of Draft Budget and Draft Reviewed IDP 2021/22 |
| **WARD 4**  3rd Quarter 2023  20/01/2024  08/02/2024  27/02/2024  08/03/2024  4th Quarter 2023  05/05/2024  16/06/2024 | 1  Cllr. T.A Gwala | 2 |  | Yes | 13/12/2022  23/04/2023  10/11/2023 Mayoral Outreach Programmes (IDP Roadshows)    10/04/2022 Tabling of Draft Budget and Draft Reviewed IDP 2023/2024 |
| **WARD 5**  3rd Quarter 2023  06/02/2024  07/02/2024  4th Quarter 2023  04/05/2024 | 1  Cllr. N.W.Ntombela | 2 |  | Yes | 13/12/2022  23/12/2023  16/11/2023 Mayoral Outreach Programmes (IDP Roadshows)  04/05/2022 Tabling of Draft Budget and Draft Reviewed IDP 20222/2023 |
| **WARD 6**  3rd Quarter 2023  24/03/2024  4th Quarter 2023  08/05/2024  09/05/2024 | 1  Cllr. M. Cele | 2 |  | Yes | 13/12/2022  23/04/2023  10/11/2023 Mayoral Outreach Programmes (IDP Roadshows)  05/05/2022 Tabling of Draft Budget and Draft Reviewed IDP 2023/2024 |
| **WARD 7**  3rd Quarter 2023  26/03/2024  27/03/2024  4th Quarter  02/05/2024  28/06/2024 | 1  Cllr. M.Shandu | 2 |  | Yes | 13/12/2022  23/04/2023  10/11/2023 Mayoral Outreach Programmes (IDP Roadshows)  06/05/2022 Tabling of Draft Budget and Draft Reviewed IDP 2023/2024 |

COMMENT ON THE EFFECTIVENESS OF THE PUBLIC MEETINGS HELD:

Section 152 (1) (e) of the Constitution of RSA encourages Local Government to involve communities and community organisations in matters of Local Government. Section 16 (1) (a) of the Municipal Systems Act encourages Municipalities to create conditions for the local community to participate in the affairs of the Municipality.

Public Participation is a process where the participant gains a better understanding of both the issue and how the other participators see the issue.

It is a structured process where everyone’s contribution is combined to produce a better outcome. All affected participants share their fears, experiences, knowledge, preferences, hopes, opinions and values. Public participation ensures the functionality of ward committee and public meetings.

The issues have been raised by the communities within the 7 wards are basically similar, the issues faced in the wards are the following:

Housing

Cattle Dips

Access Roads

OSS

Water and Sanitation

Telecommunication (Lack of Network Coverage)

Agricultural issues

Lack of Healthcare facilities

Climate change issues.

*T 2.4.4*

### 2.5 IDP PARTICIPATION AND ALIGNMENT

|  |  |
| --- | --- |
| **IDP Participation and Alignment Criteria\*** | **Yes/No** |
| Does the municipality have impact, outcome, input, output indicators? | Yes |
| Does the IDP have priorities, objectives, KPIs, development strategies? | Yes |
| Does the IDP have multi-year targets? | Yes |
| Are the above aligned and can they calculate into a score? | Yes |
| Does the budget align directly to the KPIs in the strategic plan? | Yes |
| Do the IDP KPIs align to the Section 57 Managers | Yes |
| Do the IDP KPIs lead to functional area KPIs as per the SDBIP? | Yes |
| Do the IDP KPIs align with the provincial KPIs on the 12 Outcomes | Yes |
| Were the indicators communicated to the public? | Yes |
| Were the four quarter aligned reports submitted within stipulated time frames? | Yes |
| *\* Section 26 Municipal Systems Act 2000* | *T 2.5.1* |

## COMPONENT D: CORPORATE GOVERNANCE

OVERVIEW OF CORPORATE GOVERNANCE

In general, Corporate Governance is perceived as a normative principle of administrative law, which obliges any institution to perform its functions in a manner that promotes the values of efficiency, non- corruptibility, and responsiveness to civil society. The principle of good governance has also been espoused in the context of the internal operations of both the public and private sector organizations. In this way, corporate decision-making strategies integrate the principle of good governance and ensure that public interests and employees are considered.

Mkhambathini Corporate Governance entails risk management, anti-corruption and fraud risk management, supply chain management, performance management and internal audit which is unpacked below.

*T 2.5.2*

### 2.6 RISK MANAGEMENT

RISK MANAGEMENT

*Note: MFMA section 62 (i) (c) requires a municipality to have and maintain an effective, efficient, and transparent system of risk management.*

Since the adoption of the Municipal Finance Management Act of 2003 Section 62(1) (a), (c (i), which stipulates the following:

• The accounting officer of the municipality is responsible for managing the financial administration of the municipality and must for this purpose take all reasonable steps to ensure.

• That the resources of the municipality are used effectively, efficiently, and economically.

• That the municipality has and maintains effective, efficient, and transparent systems of financial and risk management and internal Control; and

• That the Treasury Regulations issued in terms of the Act infused the public service with a municipal culture, which must add to its emphasis on external sanctions and include stronger internal controls with anticipatory management systems to assess the abuse of power, which is the central principle of risk management.

Section 105 of the MFMA also assigns extensive and similar responsibilities to other officials within the municipality and their respective directorates including to ensure ‘the effective, efficient, economical and transparent use of finance and other resources within that official’s areas of responsibility’ and “the management, including the safeguarding, of the assets and management of liabilities, within that official’s area of responsibility”.

Mkhambathini Municipality has developed and adopted a Risk Management Strategy/Framework and Policy. The policy is intended to address key elements of the risk management framework to be implemented and maintained by the Municipality, which will allow for the management of risks within defined risks/return parameters, risk appetite and tolerances as well as risk management standards. As such, it provides a framework for the effective identification, evaluation, management, measurement and reporting of the Municipality’s risks, including fraud risk.

It starts with the Municipal Manager who will coordinate an annual review of the effectiveness of this policy as well as all organisational risks, uninsured and uninsurable risks together with the key managers in the Municipality.

The municipality conducted a Risk assessment workshop during the 2023/24 financial year in the second quarter where departmental risk management and assessment were discussed by identifying top 10 risk in the municipality and the risk identified as per department with the management which was facilitated by the internal auditors. The risk register is drafted during the risk assessment in which the report is presented by the internal auditor to Management committee and Audit committee.

The risk register is updated regularly with progress reports discussed on relevant committees ensuring monitoring and evaluation by the committees. The policy assigns the Internal Audit, Audit Committee, CFO, Directors and the Municipal Manager with the identification and management of risks. The Management has been appointed by council to play a pivotal role in the Risk Management.

*T 2.6.1*

### 2.7 ANTI-CORRUPTION AND FRAUD

FRAUD AND ANTI-CORRUPTION STRATEGY

*Note: See Chapter 4 details of Disciplinary Action taken on cases of financial mismanagement (T 4.3.6). MSA 2000 s 83 (c) requires providers to be chosen through a process which minimizes the possibility of fraud and corruption.*

The municipality is committed to a corruption and fraud free environment. The municipality has developed the Anti-fraud policy to guide the municipality on matters pertaining to fraud, the development of the policy document is an illustration that the municipality does not tolerate fraudulent or corrupt activities whether internal or external to the municipality. The Internal Audit Activity assisted in communicating the policy and workshops were conducted. Further to that we have a fraud and corruption phone line 060 7120 866.

The municipality believes that if we are honest and open in our everyday dealings and communications with other people, if we always fulfil our commitment and practice trust, tolerance, and respect, only then can we achieve dignity and integrity. Every day of our lives we are faced with choices and easy options that are filled with promises of wealth. Make sure our heart and our head agree on the honest choice, however difficult it may be. Remember it is the nature of our environments, which is tempting. We need to take responsibility for our choices. It is becoming increasingly difficult to stay honest and open, especially considering the ever-changing environment around us. Our only obligation in life is to be true to ourselves and our commitments. In the long run we will achieve more in life than those who sold out their principles for the short-term gain.

We expect people to trust us, and therefore it is up to us to give them the reasons to trust us. Our reputation of today will be based on our actions of the past. Our actions today are the building blocks of our future reputation.

People at our municipality hold dearly specific rich and positive values. Therefore, our employees' commitment to these values is the only single weapon against corruption and fraud.

The Municipal Manager bears the ultimate responsibility for fraud and corruption risk management within the Municipality. This includes the coordination of risk assessments, overseeing the investigation of suspected fraud and corruption, and facilitation for the reporting of such instances. The responsibility of the Municipal Manager and the senior management is to set the overall tone to reinforce the message that the Municipality has zero tolerance towards fraud and corruption.

*T 2.7.1*

### 2.8 SUPPLY CHAIN MANAGEMENT

OVERVIEW SUPPLY CHAIN MANAGEMENT

*Note: MFMA section 110 - 119; SCM Regulations 2005; and relevant MFMA circulars set out required processes and guidance manuals to help ensure that SCM arrangements provide appropriate goods and services, offer best value for money, and minimize the opportunities for fraud and corruption.*

The Municipality has a Supply Chain Management Unit, that falls within the Finance Department. The unit is responsible for ensuring that goods and services are procured in a manner which is transparent, competitive, equitable, cost effective and fair, through proper implementation of the SCM policy which is reviewed on a regular basis.

The unit responds to the authorized purchase requisitions from other departments within the municipality using the electronic accounting system called Pastel Evolution. The speedy response to the authorized purchase requisitions where possible is always ensured.

The municipality is striving to empower local businesses and cooperatives to improve our Local Economic Development. The suppliers are rotated in terms of the National Treasury regulations to ensure that everyone is getting equal chance however there are challenges since most of our local businesses are not well established and therefore cannot supply or provide certain goods or services***.***

*T 2.8.1*

### 2.9 BY-LAWS

COMMENT ON BY-LAWS:

*Note: MSA 2000 s11 (3) (m) provides municipal councils with the legislative authority to pass and implement by-laws for the betterment of the community within the terms of the legislation.*

Mkhambathini has a total of 18 By-Laws that have been tabled and adopted by council. These By-Laws have been gazetted and published in the newspaper and municipal website.



*There were no newly developed By-Laws introduced or revised during the financial year.*

*T 2.9.1.*

### 

### 2.10 WEBSITES

|  |  |  |
| --- | --- | --- |
| **Municipal Website: Content and Currency of Material** | | |
| **Documents published on the Municipality's / Entity's Website** | **Yes / No** | **Publishing Date** |
| Current annual and adjustments budgets and all budget-related documents | Yes | 25/01/2024 |
| All current budget-related policies | Yes |  |
| The previous annual report (Year -1) | Yes | 30/03/2023 |
| The annual report (Year 0) published/to be published | Yes | 25/01/2024 |
| All current performance agreements required in terms of section 57(1)(b) of the Municipal Systems Act (Year 0) and resulting scorecards | Yes | 31/08/2023 |
| All quarterly reports tabled in the council in terms of section 52 (d) during Year 0 | Yes |  |
| *Note: MFMA s75 sets out the information that a municipality must include in its website as detailed above. Municipalities are, of course encouraged to use their websites more extensively than this to keep their community and stakeholders abreast of service delivery arrangements and municipal developments.*  *T 2.10.1* | | |

COMMENT MUNICIPAL WEBSITE CONTENT AND ACCESS:

The municipality has a communication Strategy and a Communication Plan in place. This will assist in ensuring the speedy communication of municipal programmes and progress to the Community.

The Municipality is continuing to communicate with its community through a newsletter, and a communication social media page have been developed. The municipality has enhanced its lines of communication through the various social media platforms which are The Municipality’s Whatsapp and Facebook Page, this is where the municipality utilizes a diverse approach of communication due to Covid -19, where the municipality can communicate with the community, share public notices and public engagements planned by the municipality for the community of the municipality.

Through our communications unit IDP and Budget public consultations along with other consultations done by various departments within the municipality are also convened through various communication channels such radio stations and social media platforms as mentioned in the above statement

*T 2.10.2*

### 2.11 PUBLIC SATISFACTION ON MUNICIPAL SERVICES

PUBLIC SATISFACATION LEVELS

Customer Satisfaction surveys were done in the 2023/2024 financial year, in all wards.

*T 2.11.1*

COMMENT ON SATISFACTION LEVELS:

The Municipality circulated a customer satisfaction questionnaire. Mayoral imbizos were held to communicate progress on what has been promised by the Council during its budget road shows.

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# CHAPTER 3 – SERVICE DELIVERY PERFORMANCE (PERFORMANCE REPORT PART I)

INTRODUCTION

This annual report is a comprehensive report on activities throughout the preceding year 2023/2024. The report is intended to give Council and all stakeholders and other interested people information about the activities and financial performance as of 30 June 2024.

The MFMA required the department to prepare and disclose their annual reports, and many require the annual report to be filed at registry. This report will also provide information to be used for audit purpose of this department for the financial year 2023/2024. The performance of the department is detailed in this report per sector.

*T 3.0.1*

## COMPONENT A: BASIC SERVICES

This component includes water; wastewater (sanitation); electricity; waste management; and housing services; and a summary of free basic services.

INTRODUCTION TO BASIC SERVICES

In terms of an approved organogram, Infrastructure and Technical Services department has three units, namely: Project Management, Human Settlement/Building control and Town Planning.

The role of the municipality according to the constitution in section 153 is as follows:

1)Structure and management its administration and budgeting and planning processes to give priority to the basic needs of the community and to promote the social and economic development of the community.

2)Participate in national and provincial development programmes

Based on the Cooperative Governance principal section 88 of the Municipal Structures Act (Act No. 117 of 1998) stipulates:

(1) A district municipality and the local municipalities within the area of that district municipality must co-operate with one another by assisting and supporting each other.

*Note: Recent legislation includes the Water Services Act 1997 and the General Enabling Act 2005*

WATER SERVICES

Mkhambathini Municipality is not a water services authority, uMgungundlovu District Municipality is responsible for all water related issues within the Mkhambathini Municipal Area. UMDM Water Services Authority has Umgeni Water as its Bulk Water Service Provider (BWSP). This means that Umgeni Water as the BWSP is responsible for operation of the dams supplying UMDM, to treat the raw water abstracted from the Umgeni-operated dams to safe drinking water standards and to distribute this treated water. However, all the projects that are related to water services are undertaken by UMDM and are communicated through IGR Structures and the Economic Sector, Investment & Infrastructure Development Subcluster which is chaired by the district and progress reports are tabled to council on a continuous basis.

uMgungundlovu District Municipality has several water and sanitation projects that have been planned for current intervention and implemented for Mkhambathini Local Municipality. Currently, UMDM has no Infrastructure Asset Management Plan and Infrastructure Procurement Strategy. UMDM is in the process of compiling both the Infrastructure Asset Management Plan and the Infrastructure Procurement Strategy.

UMDM prepares all Operations and Maintenance Plans for water and sanitation consultation with uMngeni Water and District WSDP was last reviewed in 2017. The district is currently in the process of reviewing their WSDP and has an adopted O&M plan. uMgungundlovu District Municipality does not have funding to develop the plans required. However, with the assistance of the Department of Cooperative Governance and Traditional Affairs, the municipality has reached out to MISA to enquire about the rollout of Infrastructure Delivery Management Systems (IDMS) in local government for the development of plans expected from the WSA.

*T 3.1.1*



*T 3.1.2*

COMMENT ON WATER USE BY SECTOR:

The Municipality is not a water services authority uMgungundlovu District Municipality is responsible for all water related issues in Mkhambathini. However, all the projects that are related to water services are undertaken by UMDM and are communicated through IGR Structures and Economic Sector, Investment & Infrastructure Development Subcluster which is chaired by the district and progress reports are tabled to council on a continuous basis.

Reference to uMgungundlovu District Municipality’s IDP for water development plans.

T *3.1.3*

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Water Service Delivery Levels** | | | | |
| **Households** | | | | |
| **Description** | **Year -3** | **Year -2** | **Year -1** | **Year 0** |
| **Actual** | **Actual** | **Actual** | **Actual** |
|  | **No.** | **No.** | **No.** | **No.** |
| ***Water:* (above min level)** |  |  |  |  |
| Piped water inside dwelling |  | 1428 | 1428 | 1428 |
| Piped water inside yard (but not in dwelling) |  | 5730 | 5730 | 5730 |
| Using public tap (within 200m from dwelling ) |  | 2592 | 2592 | 2592 |
| Other water supply (within 200m) |  | 86 | 86 | 86 |
| *Minimum Service Level and Above sub-total* | – | 10 | 10 | 9836 |
| *Minimum Service Level and Above Percentage* |  | 64% | 64% |  |
| ***Water:* (below min level)** |  |  |  |  |
| Using public tap (more than 200m from dwelling) |  |  |  |  |
| Other water supply (more than 200m from dwelling |  | 2592 | 2592 | 2592 |
| No water supply |  |  |  |  |
| *Below Minimum Service Level sub-total* | – | 3 | 3 | 5039 |
| *Below Minimum Service Level Percentage* |  | 17% | 17% | 33% |
| **Total number of households\*** | 15460 | 15460 | 15460 | 15460 |
| *\* - To include informal settlements* |  |  | *T 3.1.4* | |

COMMENT ON WATER SERVICES PERFORMANCE OVERALL:

UMDM prepares all Operations and Maintenance plan for water and sanitation consultation with Umngeni Water and District WSDP and has an adopted O&M plan.

However, all the projects that are related to water services are undertaken by UMDM.

uMgungundlovu District Municipality has several upgrade water and sanitation projects that have been planned for current intervention this Financial Year for Mkhambathini as laid out in our IDP document:

Manyavu Community Water Supply Scheme.

Nkanyezini Community Water Supply Scheme.

Manzamnyama Community Water Scheme.

Maqongqo Community Water Scheme.

*T 3.1.5*

### 3.2 WASTEWATER (SANITATION) PROVISION

INTRODUCTION TO SANITATION PROVISION

The sanitation services are provided by uMgungundlovu District Municipality and there are two options the septic tank system utilized in Camperdown areas and Ventilated Pit Improved Latrines (VIP) in rural areas.

Backlog is estimated at 905 which equates to 14 438 households. Planning and implementation of sanitation projects should be based on settlements clusters and be integrated with the initiative towards the transformation of rural villages into sustainable human settlements.

Access to sanitation within Mkhambathini Municipality rural areas is in the form of ventilated improved pit latrines and septic tanks and sewer lines within the Camperdown Town. The Community Survey 2016 is revealing a positive story in the sense that access to sanitation at an RDP Standard has increased from 18.4% in 2011 to 56% in 2016, an increase of 37%. This point to the functionality of intergovernmental relations efforts by the municipality, uMgungundlovu District Municipality and sector departments ensure that all households have access to a dignified sanitation in Mkhambathini Local Municipality.

*Information provided as per census 2016.*

*T 3.2.1*

*T 3.2.2*

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Sanitation Service Delivery Levels** | | | | |
| **\*Households** | | | | |
| **Description** | **Year -3** | **Year -2** | **Year -1** | **Year 0** |
| **Outcome** | **Outcome** | **Outcome** | **Actual** |
|  | **No.** | **No.** | **No.** | **No.** |
| ***Sanitation/sewerage:* (above minimum level)** |  |  |  |  |
| Flush toilet (connected to sewerage) | 450 | 450 | 450 | 450 |
| Flush toilet (with septic tank) | 1344 | 1344 | 1344 | 1344 |
| Chemical toilet | 97 | 97 | 97 | 97 |
| Pit toilet (ventilated) | 4669 | 4669 | 4669 | 4669 |
| Other toilet provisions (above mi. Service level) | 51 | 51 | 51 | 51 |
| *Minimum Service Level and Above sub-total* | 7 | 7 | 7 | 7 |
| *Minimum Service Level and Above Percentage* | 42,8% | 42,8% | 42,8% | 42,8% |
| ***Sanitation/sewerage:* (below minimum level)** |  |  |  |  |
| Bucket toilet | 8 | 8 | 8 | 8 |
| Other toilet provisions (below mi. Service level) | 51 | 51 | 51 | 51 |
| No toilet provisions | 826 | 826 | 826 | 826 |
| *Below Minimum Service Level sub-total* | 1 | 1 | 1 | 1 |
| *Below Minimum Service Level Percentage* | 5,7% | 5,7% | 5,7% | 5,7% |
| **Total households** | **15460** | **15460** | **15460** | **15460** |
| ***\*Total number of households including informal settlements*** | | | | *3.2.3* |

***DISTRICT WATER AND WASTEWATER WORKS***

***Mkhambathini Upgrading of Manyavu Community Water Supply Scheme***

*Construction R65,145,903.20*

***Mkhambathini Upgrade Nkanyezi Community Water Supply Scheme***

*Construction R96,913,319.65*

***Mkhambathini Upgrade Manzamnyama Community Water Supply Scheme***

*Construction R63,801,487.13*

***Mkhambathini Maqongqo Community Water Supply Scheme Phase 5***

*Construction R19,116,346.37*

***Mkhambathini iThala Valley Community Water Supply Scheme COVID 19***

*Design stage R 12 844 746,70*

Information provided by uMgungundlovu District Municipality, water projects.

*T 3.2.4*

COMMENT ON SANITATION SERVICES PERFORMANCE OVERALL:

The sanitation backlog is estimated at 905 which equates to 14 438 households. The Mkhambathini Municipality still faces sanitation backlogs with 36% of the residents serviced below the average service level. Planning and implementation of sanitation projects should be based on settlements clusters and be integrated with the initiative towards the transformation of rural villages into sustainable human settlements.

*Comments/Challenges:*

*• Challenge of supply within the Mkhambathini area.*

*• The local community is reluctant to have their meter registered and this requires for a detailed consumer education to take place.*

*Source: IDP 2023/2024*

*T 3.2.5*

### ELECTRICITY

INTRODUCTION TO ELECTRICITY

*Note: Recent legislation includes the Electricity Amendment Acts 1989; 1994; 1995; and the Electricity Regulation Act 2006.*

The Municipality is not the Electricity Provider/Energy Provider; however, it has a responsibility to ensure that the community benefits in the provision of electricity using the grant funding from Department of Minerals and Energy. Furthermore, the Municipality does provide to the indigent in its annual budget which is paid to ESKOM who is the provider of electricity within its jurisdiction.

Electricity units which are 20 Amp per /household with 0.8 kVA design ADMD as per our INEP Grant Projects and 60 Amp for Eskom project.

There has been a substantial improvement in the percentages of households that use electricity for the following table depicts the results of the conducted 2016 Community Survey which have the total numbers of the various energy sources utilized in Mkhambathini Local Municipality.

*.*

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Electricity Service Delivery Levels** | | | | |
| **Households** | | | | |
| **Description** | **Year -3** | **Year -2** | **Year -1** | **Year 0** |
| **Actual** | **Actual** | **Actual** | **Actual** |
| **No.** | **No.** | **No.** | **No.** |
| ***Energy:* (above minimum level)** |  |  |  |  |
| Electricity (at least min. Service level) | 13 | 13 | 13 | 13 |
| Electricity - prepaid (min. service level) | 381 | 381 | 381 | 381 |
| *Minimum Service Level and Above sub-total* | 14 | 14 | 14 | 14 |
| *Minimum Service Level and Above Percentage* | 102,8% | 102,8% | 102,8% | 102,8% |
| **Total number of households** | 15460 | 15460 | 15460 | 15460 |
|  |  |  | *T 3.3.1* | |

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **Electricity Service Policy Objectives Taken From IDP** | | | | | | | |
| **Service Objectives** | **Outline Service Targets** | **Year -1** | | **Year 0** | | | **Year 1** |
|  | **Target** | **Actual** | **Target** | | **Actual** | **Target** |
| ***Service Indicators*** | **\*Previous Year** |  | **\*Previous Year** | **\*Current Year** |  | **\*Current Year** |
| **(i)** | **(ii)** | **(iii)** | **(iv)** | **(v)** | **(vi)** | **(vii)** | **(viii)** |
| **Service Objective xxx** | | | | | | | |
| To ensure the integrated electrification development project within the municipality | Ezinembeni Electrification | 343 | 0 | 172 | 172 | 134 | 38- |
| Mhlambathini Electrification | 78 | 0 | 40 | 40 | 10 | 30 |
| Nkanyezini-Mboyi | 292 | 149 | 58 | New Target of 58 connections in line with the additional funding | 58 | 58- |
| Mgwenya-gulube Electrification | 343 | 243 | 30 | 30 | 11 | -19 |
| *Note: This statement should include no more than the top four priority service objectives. The indicators and targets specified above (columns (i) and (ii)) must be incorporated in the indicator set for each municipality to which they apply. These are 'universal municipal indicators'. \* 'Previous Year' refers to the targets that were set in the Year -1 Budget/IDP round; \*'Current Year' refers to the targets set in the Year 0 Budget/IDP round. \*'Following Year' refers to the targets set in the Year 1 Budget/IDP round. Note that all targets in the IDP must be fundable within approved budget provision. MSA 2000 chapter 5 sets out the purpose and character of integrated Development Plans (IDPs) and chapter 6 sets out the requirements for the reduction of performance management arrangement by municipalities in which IDPs play a key role.* *T 3.3.5* | | | | | | | |

COMMENT ON ELECTRICITY SERVICES PERFORMANCE OVERALL:

Eskom is responsible for the Energy Sector Plan. The municipality only receives reports of the implementation, therefore. However, the Municipality has conducted its own survey relating to electricity backlog and an Electricity Master Plan was developed and approved by the council in June 2019.

This Infrastructure Master Plan describes Mkhambathini Local Municipality electrical infrastructure plans, and it is a comprehensive technical report that provides detailed information on the organization's current infrastructure and on its future infrastructure development plans.

The backlog on electricity services is still significant and most households who do not yet have access are generally located in the rural areas of the country. Mkhambathini local municipality has too many households without electricity, hence the Master Plan serves as a clear information item of the backlog.

The number of households electrified based on completed INEP projects from 2001 to date excludes Eskom and Customer Funded Programme. The total backlog for electricity within Mkhambathini Municipality is 43%.

T *3.3.3*

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### 3.4 WASTE MANAGEMENT (THIS SECTION TO INCLUDE: REFUSE COLLECTIONS, WASTE DISPOSAL, STREET CLEANING AND RECYCLING)

INTRODUCTION TO WASTE MANAGEMENT

INTRODUCTION TO WASTE MANAGEMENT

On the 29th of September 2020, the Council of Mkhambathini Municipality adopted the Integrated Waste Management Plan (IWMP) which was endorsed by the Honourable MEC of Economic Development, Tourism and Environmental Affairs in December 2022.

The plan details the municipality’s current waste management and disposal status as well as detailed plan of how the municipality intends to ensure a cleaner and safer environment through progressive waste management strategies. This plan also includes the financial implications related to this service. The implementation process is currently under way. The Department of Environmental Affairs was also instrumental in ensuring that the final plan addresses solid waste requirements and demand of the Mkhambathini Municipal area

The review and adoption process the current review of the National Waste Management Strategy as well as the population dynamics in various wards which have resulted to an increase in the levels of waste and illegal dump sites. The Department of Environmental Affairs has also greatly contributed to ensuring that the final plan speaks to the solid waste requirements and demand of the Mkhambathini Municipal area.

Currently, the Mkhambathini Municipality only provides weekly waste removal to wards 3, 4 and 6 (396 households and CBD Shopping Centre) as these are the only areas billable for the services (these include urban areas, CBD and farms). There is currently an active collection schedule detailing days and collection points per day.

The transformation of rural arears into peri-urban areas and improved standards living has resulted greatly in the growing need for waste services. The municipality has since identified the escalating need for the services in ward 1,2 and 5. In the 2023/2024 financial year the municipality took strides in the provision of these services, attributing this great stride to the Department of Fisheries, Forestry and the Environment (DFFE) and EDTEA EPWP funded projects.

The projects have employed a total of 126 participants across all wards within the municipality. The projects have aided greatly to the municipal waste management plans through the clearing of illegal dumps in the areas and a scheduled weekly collection in various spots within the wards. The municipality ensures that the availability of working resources for the additional waste personnel and consistent weekly collection. The implementation of the plan has mitigated greatly the prevalence of illegal dumping, redirecting sanitary waste from the rivers.

The municipality has 2 waste removal trucks which include a Waste Compactor Truck that was procured in 2017. This truck is utilized for weekly waste collection. The second truck is a 4-ton truck used during clean up campaigns/ activities.

The Mkhambathini Municipality does not own a landfill site nor a waste disposal/ transfer site. The municipality thus disposes off at the Msunduzi Municipality’ New England site at a fee, charged daily.

The municipality has highly prioritized the diversion of waste from the landfill by incorporating the EPWP to recycling initiatives and identifying informal waste pickers to capacitate and assist in growing the quantities of recyclable waste diverted from the landfill.

Where waste services are concerned, the municipality has prioritized working with stakeholders to ensure that services provision in waste management is achieved in the most ecological, cost effective and effective manner.

Therefore, the municipality is dedicated to ensuring that in the coming years there is a radical reduction in the quantities of recyclable waste disposed at landfill. The municipality has functional MRFs and the environmental health in communities, towns and public facilities is of high regard.

For the 3 consecutive years the coop has grown in yields and categories of waste being stored and sold to buy-back centres. The coop has managed to register as an operational business through the guidance of the LED unit and further is among the 3 recycling developing businesses in the uMgungundlovu district to be selected to receive RESP funding from the EDTEA in the 2023/2024 financial year. The funding will provide support that will grow this recycling business to greater heights and accomplish goal 3 of the municipal IWMP set of objectives.

The municipality has benefited from waste management projects from the national Department of Fisheries, Forestry and the Environment in-house project that recruited 120 participants with the core objectives of the project being waste management and biodiversity management in local municipalities.

It is through these projects that the separation at source is done in order to separate recyclables from general waste therefore minimizing quantities of waste disposed at the landfill.



The graph below details the refuse disposal statistics as per the census of 2011.

*T 3.4.1*

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Solid Waste Service Delivery Levels** | | | | |
|  |  |  | **Households** | |
| **Description** | **Year -3** | **Year -2** | **Year -1** | **Year 0** |
| **Actual** | **Actual** | **Actual** | **Actual** |
|  | **No.** | **No.** | **No.** | **No.** |
| ***Solid Waste Removal:* (Minimum level)** |  |  |  |  |
| Removed at least once a week | 480 | 410 | 410 | 410 |
| *Minimum Service Level and Above sub-total* | 0 | 0 | 0 | 0 |
| *Minimum Service Level and Above percentage* |  |  |  |  |
| ***Solid Waste Removal:* (Below minimum level)** |  |  |  |  |
| Removed less frequently than once a week | 0 | 0 | 0 | 0 |
| Using communal refuse dump | 1 | 1 | 1 | 1 |
| Using own refuse dump | 12 | 12 | 12 | 12 |
| Other rubbish disposal | 0 | 0 | 0 | 0 |
| No rubbish disposal | 1 | 1 | 1 | 1 |
| *Below Minimum Service Level sub-total* |  | 14 | 14 |  |
| *Below Minimum Service Level percentage* | 0,0% | 91,6% | 91,6% | 0,0% |
| **Total number of households** | 15460 | 15460 | 15460 | 15460 |
|  |  |  | *T 3.4.2* | |

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **Removed by local**  **authority/private**  **company/community**  **members at least once a**  **week** | **Removed by local**  **authority/private**  **company/community**  **members less often than**  **once a week** | **Communal refuse dump** | **Communal container/central**  **collection point** | **Own refuse dump** | **Dump or leave rubbish**  **anywhere (no rubbish**  **disposal)** | **Other** | **Total** |
| 1 302 | 407 | 555 | 0 | 12 398 | 768 | 29 | 15 460 |

*T 3.4.3*

SOURCE OF INFORMATION: KZN Community Survey 2016.

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **The Employees: Solid Waste Management Services** | | | | | |
|  | **Year -1** |  |  | **Year 0** |  |
| **Job Level** | **Employee No** | **Post No** | **Employee No** | **Vacancies** | **Vacancies (as a**  **% of total** |
| 0-3 | 14 | N/A | 14 | 0 | N/A |
| 4-6 | 4 | N/A | 4 | 0 | N/A |
| 7-9 | 0 | N/A | N/A | 0 | 0% |
| 10-12 | 1 | N/A | 1 | 0 | 0% |
| Total | 19 | 19 | 19 | 0 | 0% |

|  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Waste Management Service Policy Objectives Taken From IDP** | | | | | | | | | | |
| **Service Objectives** | **Outline Service Targets** | **Year -1** | | | **Year 0** | | | **Year 1** | | **Year 2** |
|  | **Target** | **Actual** | **Target** | | | **Actual** | **Target** | | |
| ***Service Indicators*** | **\*Previous Year** |  | **\*Previous Year** | | **\*Current Year** |  | **\*Current Year** | **\*Current Year** | **\*Following Year** |
| **(i)** | **(ii)** | **(iii)** | **(iv)** | **(v)** | | **(vi)** | **(vii)** | **(viii)** | **(ix)** | **(x)** |
| To Ensure a Safe & Healthy Environment | Reporting on households provided with access to basic level of solid waste removal | 407 | 407 | 407 | | 410 | 410 | 410 | 410 | N/A |
| Community Clean up Campaigns conducted as per the Municipality's Integrated Waste Management Plan | 16 | 23 | 23 | | 5 | 10 | 5 | 5 | N/A |
| Reporting to ensure the waste minimisation and diversion of waste from the landfill | 12 | 12 | 409 | | 5 | 15 | 5 | 5 | N/A |
|  |
| *Note: This statement should include no more than the top four priority service objectives. The indicators and targets specified above (columns (i) and (ii)) must be incorporated in the indicator set for each municipality to which they apply. These are 'universal municipal indicators'. \* 'Previous Year' refers to the targets that were set in the Year -1 Budget/IDP round; \*'Current Year' refers to the targets set in the Year 0 Budget/IDP round. \*'Following Year' refers to the targets set in the Year 1 Budget/IDP round. Note that all targets in the IDP must be fundable within approved budget provision. MSA 2000 chapter 5 sets out the purpose and character of Integrated Development Plans (IDPs) and chapter 6 sets out the requirements for the reduction of performance management arrangement by municipalities in which IDPs play a key role.* | | | | | | | | | | *T 3.4.6* |  |  | 12 |
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COMMENT ON WASTE MANGEMENT SERVICE PERFORMANCE OVERALL:

The expansion of various settlements in all areas of the municipality continues to push up the volumes of domestic waste cleared weekly. This has forced the municipality to revise the waste collection schedule in order to accommodate the non-billable rural areas in line with the mandate of ensuring a healthy environment. Currently, the billable areas receiving weekly waste removal are wards 3 (Camperdown, Umlaaz Rd and Lynnfield park (Mkhambathini areas), 4 (Eston, Dukes, Manderstone and Farm areas) and 6 (Mid-illovo). This amounts to a total of 411 households and businesses billed.

The rural areas that have high domestic was volume dumped illegally or in the cages provided by the municipality are wards 1 and 2, as such services have been expanded to these areas with the non-billing exception that only allows the municipality to collect at central sorting points.

The municipality has ongoing programmes to increase the focus on waste minimisation in rural areas and address the challenge of the extremely escalated illegal waste dump. These include clean up campaigns, education and training in the community and schools and EPWP projects by the municipality and various government departments.

Furthermore, to enhance the cleaning and waste collection efforts, the municipality continues to install waste litter bins and cages that will help contain the waste and avoid the surge of illegal dump sites.

The municipality has successfully in introduced recycling projects to encourage separation of waste at source and enhance the green economy programmes. There are waste pickers that have been absorbed to help enhance their business efforts (transporting their waste) while they assist with waste sorting .To sustain the recycling initiatives, the municipality has various EPWP projects aimed at waste management, include enhanced recycling initiatives.

The municipality is currently exploring strategies of sorting and separating waste for recycling purposes, (this includes separation at sources) with the aim of reducing waste disposed of at the landfill site. *T 3.4.7*

### 3.5 HOUSING

INTRODUCTION TO HOUSING

The Municipality has approached the Department of Human Settlements for assistance with reviewing our housing sector plan which is outdated. We wrote a letter in June 2020 seeking for assistance with the HSP but unfortunately, we have not received any response from the Department of Human settlements and the plan is in the process of being reviewed to intensify the alignment of KZN Human Settlements Master Spatial Plan, which aim to address the housing development within the municipality. This implies that future housing delivery and development that takes place within Mkhambathini should be incorporated with the master spatial plan which will looks into supporting the process and guide spatial planning for local the municipality, based on the Master Spatial Plan Concept document the municipality’s housing sector plan be In accordance with the spatial principles.

Housing delivery and development within Mkhambathini occurs into different forms. The first regards the state funded, low-cost housing in which the Department of Human Settlements serves as the developer. The second pertains to private sector developments targeting mainly the upper income groups. The draft Mkhambathini Spatial Development Framework should be a pillar in terms of informing the realization of sustainable human settlements through the implementation of these housing projects.

**Rural Housing Demand**

Approximately 46% (6269) of the households consist of traditional dwellings. From this, it is evident that the housing backlog is very high in trial council areas. Housing demand is defined as the number of households requiring formal housing.

**Urban Housing Demand**

According to the 2011 Census data, the Mkhambathini Local Municipality had a population estimated at 63 142 people. This only accounts for 6% of the district population. The number of households is estimated at 14 964, the majority of these are situated within the traditional authority areas.

Housing delivery and development within Mkhambathini occurs into different forms. The first regards the state funded, low-cost housing in which the Department of Human Settlements serves as the developer. The second pertains to private sector developments targeting mainly the upper income groups.

The draft Mkhambathini Spatial Development Framework should be a pillar in terms of informing the realization of sustainable human settlements through the implementation of these housing projects.

SOURCE: KZN Community Survey 2016.

*T 3.5.1*

|  |  |  |  |
| --- | --- | --- | --- |
| **Percentage of households with access to basic housing** | | | |
| **Year end** | **Total households  (including in formal and informal settlements)** | **Households in formal settlements** | **Percentage of HHs in formal settlements** |
| Year -3 | 15460 | 9648 | 62,4% |
| Year -2 | 15460 | 9648 | 62,4% |
| Year -1 | 32904 | 3052 | 91% |
| Year 0 | 32904 | 3052 | 91% |
|  |  |  | *T 3.5.2* |

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Housing Service Policy Objectives Taken From IDP** | | | | | | |
| **Service Objectives** | **Outline Service Targets** | **Year 0** | | **Year 1** | | |
|  | **Target** | **Actual** | **Target** | | **Actual** |
| ***Service Indicators*** | **\*Previous Year** |  | **\*Previous Year** | **\*Current Year** |  |
| **(i)** | **(ii)** | **(iii)** | **(iv)** | **(v)** | **(vi)** | **(vii)** |
| **Service Objective xxx** | | | | | | |
| To ensure integrated housing development within the municipality | Number of reports submitted to portfolio committee | 4 reports | 4 reports | 4 reports | 4 reports | 4 reports |
| Number of quarterly Housing Meetings Held with developers and Department of Human Settlement | 4 reports | 2 reports | 4 reports | 4 reports | 2 reports |
| *Note: This statement should include no more than the top four priority service objectives. The indicators and targets specified above (columns (i) and (ii)) must be incoporated in the indicator set for each municipality to which they apply. These are 'universal municipal indicators'. \* 'Previous Year' refers to the targets that were set in the Year -1 Budget/IDP round; \*'Current Year' refers to the targets set in the Year 0 Budget/IDP round. \*'Following Year' refers to the targets set in the Year 1 Budget/IDP round. Note that all targets in the IDP must be fundable within approved budget provision. MSA 2000 chapter 5 sets out the purpose and character of Integrated Development Plans (IDPs) and chapter 6 sets out the requirements for the reduction of performance management arrangement by municipalities in which IDPs play a key role*  *.* | | | | | | |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Employees: Housing Services** | | | | | |
| **Job Level** | **Year -1** | **Year 0** | | | |
| **Employees** | **Posts** | **Employees** | **Vacancies (fulltime equivalents)** | **Vacancies (as a % of total posts)** |
| **No.** | **No.** | **No.** | **No.** | **%** |
| 10 - 12 | 1 | 1 | 1 | 0 | 0% |
| Total | 1 | 1 | 1 | 0 | 0% |
| *Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as of 30 June. \*Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. ‘senior management’) then dividing that total by 250 to give the number of posts equivalent to the accumulated days. T 3.5.3* | | | | | |

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **PROJECT NAME** | **WARD** | **NO OF SUBSIDIES** | **PROJECT VALUE** | **MONIES SPENT TO DATE** | **START DATE** | **END DATE** | **HOUSES BUILT TO DATE** |
| KwaMahleka Rural Housing | 5 | 500 | R36 742 530 | R30 587 428.433 | June 2012 | June 2019 (EOT Submitted) | 359 |
| KwaNjobokazi RuralHousing | 4 | 400 | R41 043 191.55 | R 16 586 530.81 | March 2013 | March 2015 | 127 |
| Maqongqo Rural Housing | 1 | 500 | R 39 260 581.55 | R 39 247 733.25 | May 2007 | April 2022 | 440 |
| Ward 7 Housing Project (Phase 1) | 7 | 500 | R 64 147 395.00 | R 62 116 684.50 | March 2017 | January 2021 | 500 |
| Ward 7 Housing Project (Phase 2) | 7 | 300 | R 40 26590.00 | R 3 930 990.67 | August 20207 | April 2022 | 15 |
| OSS 100 Maqongqo | 1 | 100 | R 10 685 051.00 | R8 414 784.17 | May 2007 | June 2021 (EOT Submitted) | 87 |

COMMENT ON THE PERFORMANCE OF THE HOUSING SERVICE OVERALL:

The provision of housing is the mandate of the Provincial Department of Human Settlement (DHS) and the municipality plays an active role in the coordination of the housing development projects by making land available for such development, providing lists of beneficiaries, identifying challenges, and resolving them with local stakeholders like Ward Committees and Traditional leaders. Majority of the backlog challenges are within tribal authority areas.

Operation Sukuma Sakhe: Housing Delivery Cases

●32 units have been profiled from various wards. The service provider has been appointed but reluctant to start the construction due to the reasons that the houses are far apart and this might cost more than the allocated funds. Discussions are held with other service provider.

●Beneficiaries assisted under Mbambangalo Project, all houses are completed, 5 beneficiaries already benefiting from the Maqongqo Housing Project.

●The contract for the previously appointed service provider for 32 interventions was terminated in October 2013. A new service provider is being engaged to take over the project. One house got burnt at Maqongqo and will form part of Operation Sukuma Sakhe.

●Three projects have been identified from ward 2, 5 and 6 and the beneficiaries are currently being verified.

Total Housing Demand and Backlog

The total housing backlog is estimated at 6733 units. These include 6269 dwelling units within the tribal council areas as well as 464 units within the urban areas.

T *3.5.5*

### 3.6 FREE BASIC SERVICES AND INDIGENT SUPPORT

INTRODUCTION TO FREE BASIC SERVICES AND INDIGENT SUPPORT

The provision of free basic social services by local government is part of the broader social agenda and anti-poverty strategy of the South African government. Government at all levels has a constitutional obligation to take measures towards the realisation of the social and economic rights of all people as contained in the Bill of Rights. These rights include, inter alia health care, water, education, housing, food, social security, and the environment. Mkhambathini Municipality Indigent register.

The social package assists households that are poor or face other circumstances that limit their ability to pay for services. To receive these free services the households are required to register in terms of the Municipality’s Indigent Policy.

The cost of the social package of the registered indigent households is largely financed by national government through the local government equitable share received in terms of the annual Division of Revenue Act. And takes the form of social relief for the family of deceased persons who are destitute without income.

The Free Basic Services is funded through the equitable share which is received from National Government c. Indigent households’ programmes - 348 EPWP participants are all from indigent households. - About 120 Social relief groceries for bereaved families were donated to contribute towards the funeral costs when there is a death in an indigent household. Over and above the municipality’s groceries programme 06 coffins were donated by KZN Casket and Coffins

**Free Basic Services**

The social package assists households that are poor or face other circumstances that limit their ability to pay for services. To receive these free services the households are required to register in terms of the Municipality’s Indigent Policy.

**Basic Social Services Package**

The cost of the social package of the registered indigent households is largely financed by national government through the local government equitable share received in terms of the annual Division of Revenue Act. And takes the form of social relief for the family of deceased persons who are destitute without income.

The provision of waste services to indigent households in the 2023/2024 financial year has increased from 300 households due to the expansion to rural arears. The municipality now provides free basic waste services to an additional 1000.

The Free Basic Services is funded through the equitable share which is received from the National Government. There are currently 221 households who are registered as indigents in 2024 but that database is reviewed on an annual basis for ensuring that the Municipality covers all affected families.

*T 3.5.6*

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Free Basic Service Policy Objectives Taken From IDP** | | | | | | | | |
| **Service Objectives** | **Outline Service Targets** | **Year -1** | | **Year 0** | | | | **Year 1** |
|  | **Target** | **Actual** | **Target** | | **Actual** |  | |
| ***Service Indicators*** | **\*Previous Year** |  | **\*Previous Year** | **\*Current Year** |  | **\*Current Year** | |
| **(i)** | **(ii)** | **(iii)** | **(iv)** | **(v)** | **(vi)** | **(vii)** | **(viii)** | |
| **Service Objective xxx** | | | | | | | | |
| To ensure provision of free Basic Services for indigent residents of Mkhambathini Municipality | Number of Social Relief Groceries provided to bereaved families | N/A | N/A | N/A | 144 | 151 | 151 | |
| Report on the number and percentage of households earning less than R1100 a month with access to free basic services | N/A | N/A | N/A | 81 | 120 | 120 | |
| *Note: This statement should include no more than the top four priority service objectives. The indicators and targets specified above (columns (i) and (ii)) must be incoporated in the indicator set for each municipality to which they apply. These are 'universal municipal indicators'. \* 'Previous Year' refers to the targets that were set in the Year -1 Budget/IDP round; \*'Current Year' refers to the targets set in the Year 0 Budget/IDP round. \*'Following Year' refers to the targets set in the Year 1 Budget/IDP round. Note that all targets in the IDP must be fundable within approved budget provision. MSA 2000 chapter 5 sets out the purpose and character of Integrated Development Plans (IDPs) and chapter 6 sets out the requirements for the reduction of performance management arrangement by municipalities in which IDPs play a key role*  *. T 3.5.7* | | | | | | | | |

COMMENT ON FREE BASIC SERVICES AND INDIGENT SUPPORT:

The Mkhambathini Municipality has developed the Indigent policy which informs the municipality’s indigent register in line with government legislative framework. The policy covers all rural and urban areas under the jurisdiction of Mkhambathini municipality in KwaZulu-Natal, where indigent members of the community have been identified and registered.

The municipality only provides free basic electricity to the indigent.

The social package stipulated in the policy is as follows: Social relief packs upon death or disaster in the family and pauper burials for unknown deceased and refuse collection to informal settlements***.***

*T 3.5.8*

## COMPONENT B: ROAD TRANSPORT

This component includes roads; transport; and wastewater (stormwater drainage).

INTRODUCTION TO ROAD TRANSPORT

The primary transport route within the municipality is the N3 Route that traverses Mkhambathini and links Durban to the east with Pietermaritzburg and ultimately the Gauteng Highveld to the west and north-west. Road access and freight map shows that most households in the Mkhambathini Municipality enjoy access to roads at less than 1km. There are several provincial roads spread relatively evenly throughout the municipal area, improving the accessibility of most settlements and households in the municipality. Many households are also serviced through lower order, district or local, roads.

The Municipality currently has a draft Comprehensive Integrated Transport Plan which is the process of being reviewed by council for future projections. This plan is still a working document that will be prioritized by the municipality. This plan will look into providing the communities with access to better socio-economic opportunities in order to effectively understand and have improved transport planning.

The municipality must develop a Comprehensive Local Integrated Transport Plan which will seek assistance from DOT and the district municipality in formalizing the final plan in line with the National Land Transport Transition Act, No. 22 of 2000 as amended. It is a requirement that every Local Municipality prepares a set of transport plans, and such plans need to be updated and give guidance to the contemporary transport operating environment, however with better coordination between the various spheres of government and with the assistance from the Department of Transport.

*T 3.5.9*

### 3.7 ROADS

INTRODUCTION TO ROADS

The primary transport route within the municipality is the N3 Route that traverses Mkhambathini and links Durban to the east with Pietermaritzburg and ultimately the Gauteng Highveld to the west and north- west. Mkhambathini enjoys a relatively good level of access at a Provincial and Regional level. This allows for a smooth flow of goods and movement of people in and out of the area. Access to roads shows that most households in the Mkhambathini municipality enjoy access to roads at less than 1km. There are several provincial roads spread relatively evenly throughout the municipal area, improving the relative accessibility of most settlements and households in the municipality. Many households are also serviced through lower order, district or local and roads.

Mkhambathini Municipal Area is accessed via the N3 highway which links into the R103 via the Lynfield Park and the Umlaas Road Interchanges as well as the R106 which links the municipality from Camperdown to eThekwini’s South Coast. These district roads then feed into lower order municipal roads and the Traditional Authority areas.

*T 3.7.1*

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Gravel Road Infrastructure** | | | | |
|  |  |  |  | **Kilometres** |
|  | **Total gravel roads** | **New gravel roads constructed** | **Gravel roads upgraded to tar** | **Gravel roads graded/maintained** |
| Year -1 | 2 | Construction of Makhokhoba Access Road / Bridge  Construction of Jilafohlo Access Road |  |  |
|  | **Roads Maintained** |  |  |  |
|  | 3 | Muzingezwi Access Road  Mkhize Access Road  Makholweni Access Road |  |  |

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Cost of Construction/Maintenance** | | | | | | |
| **R' 000** | | | | | | |
|  | **Gravel** | | | **Tar** | | |
| **New** | **Gravel - Tar** | **Maintained** | **New** | **Re-worked** | **Maintained** |
| Year -2 | 1.2km | 0 | 3.6km | 0 | 0 | 0 |
| Year -1 | 10 km | 0 | 3,6km | 0 | 0 | 0 |
| Year 0 |  |  |  |  |  |  |
|  |  |  |  |  |  | *T 3.7.3* |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Road Service Policy Objectives Taken From IDP** | | | | | |
| **Service Objectives** | **Outline Service Targets** | **Year -1** | | **Year 0** | |
|  | **Target** | **Actual** | **Target** | |
| ***Service Indicators*** | **\*Previous Year** |  | **\*Previous Year** | **\*Current Year** |
| To ensure the provision, upgrade and construction of infrastructure and services that enhance socio economic development within the municipality | Construction of Makhokhoba Access Road / Bridge |  | New |  | 90% |
| Construction of Jilafohlo Access Road |  | New |  | 100% |
| *Note: This statement should include no more than the top four priority service objectives. The indicators and targets specified above (columns (i) and (ii)) must be incoporated in the indicator set for each municipality to which they apply. These are 'universal municipal indicators'. \* 'Previous Year' refers to the targets that were set in the Year -1 Budget/IDP round; \*'Current Year' refers to the targets set in the Year 0 Budget/IDP round. \*'Following Year' refers to the targets set in the Year 1 Budget/IDP round. Note that all targets in the IDP must be fundable within approved budget provision. MSA 2000 chapter 5 sets out the purpose and character of Integrated Development Plans (IDPs) and chapter 6 sets out the requirements for the reduction of performance management arrangement by municipalities in which IDPs play a key role.*  *T3.7.4* | | | | | |

COMMENT ON THE PERFORMANCE OF ROADS OVERALL:

The primary transport route within the municipality is the N3 Route that traverses Mkhambathini and links Durban to the east with Pietermaritzburg and ultimately the Gauteng Highveld to the west and north-west. Road Access and Freight map shows that most households in the Mkhambathini Municipality enjoy access to roads at less than 1km.

There are several provincial roads spread relatively evenly throughout the municipal area, improving the accessibility of most settlements and households in the municipality. Many households are also serviced through lower order, district or local, roads.

*T 3.7.5*

### 3.8 TRANSPORT (INCLUDING VEHICLE LICENSING & DRIVERS LICENSE RENEWALS

INTRODUCTION TO TRANSPORT

The Municipality is not responsible for public transport. The community relies on private mini-bus taxis and privately owned bus services, we are a vehicle licensing agent for the Department of Transport.

The Municipality currently has a draft comprehensive integrated transport plan in place which is in the process of being reviewed by council, and the municipality is prioritizing the review of this plan as it also looks into the future development and access to better socio-economic opportunities in order to effectively understand and have improved transport planning. The Draft Integrated Transport Plan is attached as an annexure in the IDP.

We issue learner licenses, driver’s license renewals and vehicle license discs.

*T 3.8.1*

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Transport Service Policy Objectives Taken From IDP** | | | | | | | | |
| **Service Objectives** | **Outline Service Targets** | **Year 0** | | **Year -1** | | | | |
|  | **Target** | **Actual** | **Target** | | | |
| ***Service Indicators*** | **\*Previous Year** |  | **\*Previous Year** | **\*Current Year** | **Achieved / Not Achieved** | **Reason for Variance** |
| Revenue generated Through learners licensing | Amount of revenue Generated Through learners and Driver's licensing | R4,8M | R2 368 643 | R4M | R4 869 263 | Achieved |  |
| Revenue generated Through Motor Licensing | Amount of revenue Generated Through Motor Licensing | R2.4M | R2 229 031 | R2.3M | R3 257 273 | Achieved |  |
| *Note: This statement should include no more than the top four priority service objectives. The indicators and targets specified above (columns (I) and (ii)) must be incoporated in the indicator set for each municipality to which they apply. These are 'universal municipal indicators'. \* 'Previous Year' refers to the targets that were set in the Year -1 Budget/IDP round; \*'Current Year' refers to the targets set in the Year 0 Budget/IDP round. \*'Following Year' refers to the targets set in the Year 1 Budget/IDP round. Note that all targets in the IDP must be fundable within approved budget provision. MSA 2000 chapter 5 sets out the purpose and character of integrated Development Plans (IDPs) and chapter 6 sets out the requirements for the reduction of performance management arrangement by municipalities in which IDPs play a key role.*  *T 3.8.2* | | | | | | | | |

COMMENT ON THE PERFORMANCE OF TRANSPORT SERVICES

*The municipality provides* learner licenses, driver’s license renewals and vehicle license discs services, which generates income for the municipality.

*The municipality will prioritise the development of an Integrated Transport Plan. The plan would work towards progressively implementing a municipal wide public transport network. In order to improve public transportation experience of the Mkhambathini Local Municipality residences, Council will ensure that (1) Bus shelters will be erected to keep commuters dry, and taxi ranks will be kept clean and functional by working with taxi associations to ensure that roads along critical routes are maintained, (2) The enhancement of and capacitating of the traffic department will be done to ensure that all public transportation vehicles, such as taxis, private vehicles and metered taxis, are roadworthy, (3) Attempt to subsidize public transportation for the unemployed and aged and (4) Partnerships with taxi groups and bus companies will be formed.*

*T 3.8.2*

### 3.9 WASTE WATER (STORMWATER DRAINAGE)

INTRODUCTION TO STORMWATER DRAINAGE

Currently the municipality does not have a stormwater master plan. The only area that has stormwater infrastructure is the Camperdown area. The rest of the Municipality is rural in nature, and there is no stormwater drainage infrastructure. Surface run-off currently flows via the natural relief into existing valley lines, streams and rivers. These could be potentially harmful to riverine systems, due to pollution etc. for any new developments, there is a need to construct stormwater drainage infrastructure along the roads to support these major developments. In the event of any new road development, it will be essential for the Municipality to employ stormwater management and infrastructure to mitigate any possible negative effects.

The road infrastructure does not have a formal storm water drainage except near paved roads which is serviced by the Department of Transport.

*T 3.9.1*

## COMPONENT C: PLANNING AND DEVELOPMENT

This component includes Planning and Local Economic Development.

INTRODUCTION TO PLANNING AND DEVELOPMENT

The main objective of town planning is to encourage local development which aligns with planning bylaws along with public participation and other processes.

The town planning section processes all development applications and enforces the town planning scheme as required Spatial Planning and Land Use Management Act (act 16 of 2013).

*T 3.9.3*

### 3.10 PLANNING

INTRODUCTION TO PLANNING

The Spatial Development Framework which is a requirement of Municipal Systems Act (act 32 of 2000) outlines the vision for development in the area and the Wall-to-Wall Land Use Scheme which came into effect in June 2020 controls land use rights and encourages investor confidence.

The municipality is ensuring that the bylaws are enforced. Furthermore, the municipality has adopted an indigent policy which seeks to ensure that the municipality provides free basic services***.***

The municipality is approximately 90% rural with the formalized town of Camperdown, which is a service centre to the surrounding areas. The town of Camperdown provides residential, commercial, and administrative functions, while the Umlaas Road area caters to a mix of industrial activities.

The Ingonyama Trust Board owns at least 70% of the area and the remainder is predominantly privately-owned.

*T 3.10.*

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Applications for Land Use Development** | | | | | | |
| **Detail** | **Formalisation of Townships** | | **Rezoning** | | **Built Environment** | |
| **Year -1** | **Year 0** | **Year -1** | **Year 0** | **Year -1** | **Year 0** |
| Planning application received | 0 | 1 | 4 | 7 | 21 | 31 |
| Determination made in year of receipt | 0 | 0 | 4 | 7 | 15 | 19 |
| Determination made in following year | 0 | 0 | 0 | 0 | 0 | 0 |
| Applications withdrawn | 0 | 0 | 0 | 0 | 0 | 0 |
| Applications outstanding at year end | 0 | 0 | 0 | 0 | 6 | 12 |
|  |  |  |  |  |  | *T 3.10.1* |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Planning Policy Objectives Taken From IDP** | | | | | |
| **Service Objectives** | **Outline Service Targets** | **Year -1** | | **Year 0** | |
|  | **Target** | **Actual** | **Target** | |
| ***Service Indicators*** | **\*Previous Year** |  | **\*Previous Year** | **\*Current Year** |
| To ensure spatial development in the entire area of Mkhambathini Municipality | Approval of Spluma application | 100% | 100% | 100% | 100% |
| Number of Reports on SPLUMA applications approved | 100% | 100% | 100% | 100% |
| Number of Reports on SPLUMA applications approved | 100% | 100% | 100% | 100% |
| *Note: This statement should include no more than the top four priority service objectives. The indicators and targets specified above (columns (i) and (ii)) must be incoporated in the indicator set for each municipality to which they apply. These are 'universal municipal indicators'. \* 'Previous Year' refers to the targets that were set in the Year -1 Budget/IDP round; \*'Current Year' refers to the targets set in the Year 0 Budget/IDP round. \*'Following Year' refers to the targets set in the Year 1 Budget/IDP round. Note that all targets in the IDP must be fundable within approved budget provision. MSA 2000 chapter 5 sets out the purpose and character of integrated Development Plans (IDPs) and chapter 6 sets out the requirements for the reduction of performance management arrangement by municipalities in which IDPs play a key role. T3.10.2* | | | | | |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Employees: Planning Services** | | | | | |
| **Job Level** | **Year -1** | **Year 0** | | | |
| **Employees** | **Posts** | **Employees** | **Vacancies (fulltime equivalents)** | **Vacancies (as a % of total posts)** |
| **No.** | **No.** | **No.** | **No.** | **%** |
| 10 - 12 | 2 | 0 | 2 | 0 | 0% |
| 13 - 15 | 1 | 1 | 1 | 0 | 0% |
| Total | 2 | 2 | 2 | 0 | 0% |
| *Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as of 30 June. \*Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g., ‘senior management’) then dividing that total by 250 to give the number of posts equivalent to the accumulated days.*  *T 3.10.3* | | | | | |

COMMENT ON THE PERFORMANCE OF PHYSICAL PLANNING OVERALL:

The Municipality has finalized its review of the Spatial Development Framework (SDF) in collaboration with SANBI who co-founded the project with the municipality. The municipal SDF was approved and adopted by Council and is reviewed annually. The revision of the SDF enabled the preparation of the new SPLUMA compliant Land Use Scheme, which facilitates development.

*T 3.10.4*

### 3.11 LOCAL ECONOMIC DEVELOPMENT (INCLUDING TOURISM AND business regulation and compliance)

INTRODUCTION TO ECONOMIC DEVLOPMENT

The five-year review of the Mkhambathini Municipality’s LED strategy was done and approved by Council in 2021/2022 and will be thoroughly reviewed in 2025/2026. However, the monitoring and evaluation of the strategy is done on an ongoing basis with a review of the plan submitted to Council in line with the MEC comments as well as the new IDP priorities.

Through the newly revised and adopted Local Economic Development Strategy, the Local Economic Development Unit under the leadership of the Director Community Services is continuing with strengthening the small, medium and micro business sub-sector. There is a need for vigorous creativity and effort in furthering these programmes by the municipality. The ideas must be turned into tangible programmes and projects.

Key Challenges within LED are:

•Lack of investors to develop companies that will create more jobs opportunities especially industrial companies due to wastewater treatment works plant that is currently not available

•Insufficient of funds to support SMME enterprises with equipment and SETA credited trainings that will enhance more jobs opportunities within the area

•Issue of capacity within the LED with only two (2) personnel in the office

The municipality has functional sector specific forums as indicated on the LED strategy. It is believed that in line with the 5year review, the municipality will now be in the position to establish the LED forum comprising the representatives of all the sector specific forums.

The key economic sectors with Mkhambathini Municipality are as follows:

The agricultural sector which has been a cornerstone of the Camperdown region, the larger parts of which were incorporated into the current administrative boundaries of Mkhambathini Municipality, for a very long time. It is one of the matured economic sectors characteristics of the municipality’s economic and industrial bases. Tourism identified as one of the strategic economic sectors in South Africa. It has the inherent potential to positively impact other sectors of the economy including retail and services sectors. The manufacturing sector is the fourth largest sector within the Mkhambathini Municipality in terms of its contribution to employment and economic growth and development objectives. The mining activities within Mkhambathini Municipality are limited to a small but booming business of sand dune mining along the major rivers. Tourism attractions are generally located close to the main roads traversing the municipality. Ownership of the tourism industry tends to be highly concentrated with little involvement by rural communities. Participants at community workshops called for the exploitation of undeveloped tourism potential in the municipality, their involvement in tourism development and related in come generating opportunities, as well as the need for education about the benefits and obligations of tourism.

The approach adopted by the LED strategy is one that ensures that local economic development allows and encourages local people, business, and non-governmental sector to work together to build capacity to ensure achievement of sustainable economic growth and development and bringing economic benefits and improved quality of life for all residents in a municipal space. With the understanding that “Growth” means to get bigger while “Development” means to get better.

The focus of the municipal LED programmes is on providing support to existing businesses to multiply the number of times that a rand is spent in the community. The fundamental thinking is that local purchasing is the primary means of accomplishing this and the result is a more efficient, self-reliant, and economically resilient community. For the 2023/2024 financial year, the LED, Tourism, Arts and Culture division set itself target and programmes to achieve under the following areas:

• SMME development

• Promotion and development of Agriculture

• Tourism development

• Business regulation and compliance

Currently the municipality has a SANRAL project that is in the implementation phase which is construction of N3 in Camperdown and Lynnfield’s as well as interchange development for Camperdown, Mlaas road and Lynnfield interchange.

There are workshops that have been implemented by the municipality to SMMEs and cooperatives, i.e Township and rural entrepreneurship programme workshop – 13 March 2024, Cooperative governance, and entrepreneurial mindsets short course – 22 February 2024, Azibuye Emasisweni Boys workshop – 10 December 2023, Women’s development dialog and workshop – 23 August 2023 and 09 December 2023 and Wholesale and retail training - 11 October 2023.

Support on agricultural projects, SMME, Cooperative, informal traders and artists through the following:

• municipal tractor to cultivate gardens.

• provision of working equipment

• Workshops

• Transportation to compete within the district or neighbouring towns.

The Camperdown Taxi rank and trading stalls project has been completed and handed over to the Eston/Mophela taxi association, informal traders and the community at large. The official handover was done by COGTA MEC Bongi Sithole and the Council of Mkhambathini Municipality on the 3rd May 2024.

*T 3.11.1*

Under SMME development the following projects were supported:

Agricultural Projects Supported

|  |  |  |  |
| --- | --- | --- | --- |
| **Type of Support: Mechanisation and Advisory Services** | | | |
| **Project Name** | **Ward** | **Support provided** | **Financial Year** |
| **Makhokhoba Cooperative** | 03 | Municipal tractor to cultivate the garden | 2023/2024 |
| **Isivuno Semvelo cooperative** | 02 | Municipal tractor to cultivate the garden | 2023/2024 |
| **Mandayi Cooperative** | 07 | Advisory session on crop vegies was done by DARD | 2023/2024 |
| **Nomusa Doncabe** | 07 | Advisory session on one home one garden and provision of one home one garden equipment by DARD | 2023/2024 |
| **Mpiwe Ndimande Sibisi** | 07 | Advisory session on one home one garden and provision of garden equipment done in partnership by DARD | 2023/2024 |
| **Nhlaba Zondi** | 03 | Municipal tractor to cultivate the garden | 2023/2024 |
| **Nkosi Nsongeni** | 03 | Municipal tractor to cultivate the garden | 2023/2024 |
| **Isivuno semvelo cooperative** | 02 | Municipal tractor to cultivate the garden | 2023/2024 |

Tourism Programmes implemented

|  |  |
| --- | --- |
| **Programme Name** | **Date implemented** |
| Tourism Seminar | 14-15 September 2023 |
| Tourism Experience tour | 15 September 2023 |
| Annual tourism hike ( Table Mountain) | 16 September 2023 |
| Tourism Mapping | 31 October 2023 |
| Tourism awareness campaigns | Banqobile High School – 27 October 2023  Mbambangalo High School – 12 March 2024  Mcoseleli High School – 13 March 2024 |
| Duzi Marathon support |  |

Furthermore, the municipality has supported Indlondlo Zulu Cultural Village with 2 rondavels as well as exhibition needs for the Tourism Indaba (printing of brochures, T-shirts, screen, business cards)

**Cooperatives that were trained on Cooperative Governance and Entrepreneurial Mindset training:**

|  |  |  |
| --- | --- | --- |
| **Cooperative** | **Representative trained** | **Ward** |
| Masokeni Cooperative | Bekani Ntuli | 02 |
| Isivuno Semvelo Coorparetive | Delisile Shozi | 02 |
| Thokozani Food Cooperative | Sindiswa Mathonsi | 03 |
| Uvemvane Cooperative | Ndawinde Thombi | 01 |
| Isihlangu Sentuthuko Cooperaative | Mkhize Makhosazane | 01 |
| Isu labasha Cooperative | Bathabile Zuma | 05 |
| Ithemba lenjabulo | Zandile Mncube | 03 |
| Zimanathi Cabazini Development Primary Cooperative | Joyful Ngubane | 04 |
| Khoti Primary Cooperative | Thinabantu Ngubane | 04 |
| Umlilo Wamandla Cooperative | Thandeka Ndlovu | 04 |

**SMME Support**

|  |  |  |  |
| --- | --- | --- | --- |
| Support to all cooperative | To promote agricultural activities implemented by cooperatives within the Municipality. | Procurement of fencing material to agricultural cooperatives. | June 2021 |
| Support to all cooperative | To promote agricultural activities implemented by cooperatives within the Municipality. | Procurement of poultry machinery | June 2022- June 2023 |
| Support to all cooperative | To promote agricultural activities implemented by cooperatives within the Municipality. | Procurement of vegetable seedlings to agricultural cooperatives | June 2020-June 2022 |
| Support to all cooperative | To promote agricultural activities implemented by cooperatives within the municipality | Procurement of municipal tractor that will cultivate cooperatives gardens | June 2022 |
| Support to all cooperative | To promote agricultural activities implemented by cooperatives within the municipality | Procurement of irrigation system (pump and pipes) / boreholes for watering purposes | June 2023-June 2024 |
| Support to all cooperative | To promote local economic development projects | Procurement of machinery/ equipment for cooperatives to create job opportunities. i.e. alluminium, furniture | June 2022- June 2024 |
| Cooperatives Capacity building | To ensure that vegetable and poultry produce is in good market condition | Vegetable / poultry production workshop | June 2022 |
| Cooperatives Capacity building | To capacitate cooperatives in value adding | Implementation of value adding workshop | June 2022- June 2023 |
| Cooperatives Capacity building | To capacitate cooperatives in packaging | Packaging workshop for vegetable and poultry cooperatives | June 2022 |

*T.3.11.2*

COMMENT ON LOCAL JOB OPPORTUNITIES:

The Local Economic Development role-players within Mkhambathini Municipality are firstly the Municipal Council, Traditional Authorities, all the communities and residents within the seven (7) wards of Mkhambathini, business community, uMgungundlovu District Municipality, investors, uMgungundlovu Development Agency, Government Departments, and government entities (i.e.: Eskom, Umgeni Water)

|  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Local Economic Development Policy Objectives Taken From IDP** | | | | | | | | | | | |
| **Service Objectives** | **Outline Service Targets** | **Year -1** | |  |  | **Year 0** | | | | |
|  | **Target** | **Actual** | **Achieved / Not Achieved** | **Reason for variance** | **Target** | | **Actual** | **Achieved / Not Achieved** | **Reason for variance** |
| ***Service Indicators*** | **\*Previous Year** |  | **\*Previous Year** | **\*Current Year** |  |
| To support Municipality's Rural and Agricultural Development initiatives | Number of support initiatives implemented for agricultural programmes | 30 | 30 | Achieved | N/A | 30 | 30 | 35 | Achieved | To support Municipality's Rural and Agricultural Development initiatives |
| To Develop and Support all emerging SMMEs and Cooperatives within the Municipality | Number of LED Forum Meetings | N/A | N/A | N/A | N/A | N/A | 4 | 9 | Achieved | To Develop and Support all emerging SMMEs and Cooperatives within the Municipality |
| Number of SMME and Cooperatives support and training programmes | 4 | 4 | Achieved | N/A | 4 | 4 | 4 | Achieved | issues the establishment of the Forum was delayed for clarity. |
| *Note: This statement should include no more than the top four priority service objectives. The indicators and targets specified above (columns (i) and (ii)) must be incoporated in the indicator set for each municipality to which they apply. These are 'universal municipal indicators'. \* 'Previous Year' refers to the targets that were set in the Year -1 Budget/IDP round; \*'Current Year' refers to the targets set in the Year 0 Budget/IDP round. \*'Following Year' refers to the targets set in the Year 1 Budget/IDP round. Note that all targets in the IDP must be fundable within approved budget provision. MSA 2000 chapter 5 sets out the purpose and character of Integrated Development Plans (IDPs) and chapter 6 sets out the requirements for the reduction of performance management arrangement by municipalities in which IDPs play a key role T 3.11.3* | | | | | | | | | | | |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Employees: Local Economic Development Services** | | | | | |
| **Job Level** | **Year -1** | **Year 0** | | | |
| **Employees** | **Posts** | **Employees** | **Vacancies (fulltime equivalents)** | **Vacancies (as a % of total posts)** |
| **No.** | **No.** | **No.** | **No.** | **%** |
| 10 - 12 | 1 | 1 | 1 | 0 | 0% |
| 13 - 15 | 1 | 1 | 1 | 0 |  |
| Total | 2 | 2 | 2 | 0 | 0% |
| *Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. \*Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g., ‘senior management’) then dividing that total by 250 to give the number of posts equivalent to the accumulated days.*  *T 3.11.4* | | | | | |

COMMENT ON LOCAL ECONOMIC DEVELOPMENT PERFORMANCE OVERALL:

Mkhambathini Local Municipality is primarily an agricultural community, followed by manufacturing and tourism that contribute to the employment opportunities of the municipality. The primary agricultural operations undertaken in the municipal area relate to crop cultivation, poultry faming, sugar cane farming and dairy production. In addition to these, a few agro- processing plants also exist e.g., Illovo Sugar (Eston) and Avocados.

The municipality is working closely with the development agency (UMEDA) to ensure that there is no red tape that will hinder the development of emerging farmersand catalytic projects that will create more jobs opportunities and bring development into Mkhambathini i.e. N3 corridor development project (N3 upgrade, airport and smart city).

Furthermore, the municipality has created partnerships with the private sector through social labour plans, companies include Afrimat aggregates.

*T 3.11.5*

## COMPONENT D: COMMUNITY & SOCIAL SERVICES

This component includes libraries; community halls; cemeteries and crematoria; child-care; aged care; social programmes.

INTRODUCTION TO COMMUNITY AND SOCIAL SERVICES

The Community and Social Services includes community halls, cemeteries and childcare facilities and sport facilities and libraries.

*T 3.12*

### 3.12 LIBRARIES; COMMUNITY FACILITIES.

INTRODUCTION TO LIBRARIES; ARCHIEVES; COMMUNITY FACILITIES.

***COMMUNITY HALLS***

The Municipal area has a total of 16 community halls serviced and maintained by the municipality. These facilities are one of the communities’ most crucial resources as they are used for community meetings and organised groups doing projects for public benefit can also request for permission to use the hall. Due to financial constraints, the municipality is not able to station security guards at the halls, except for the Camperdown Town Hall which is located near the Municipal Office. However, the communities are thus entrusted with the responsibility for safe guarding the facilities which are only accessible through the Councillor’s Office, for safety reasons. The municipality has also put in place the Community Facilities Police to ensure safeguarding and maintenance of public assets..

***CEMETERIES AND CREMATORIA***

Due to lack of land availability, the Mkhambathini municipality does not own municipal cemeteries and crematoria. In some of the tribal authority areas, the community members have burial sites within their family homes (yards). However, the majority uses either Msunduzi Municipality’s Cemeteries or Crematoria, Mophela cemeteries (under eThekwini Municipality) as well as uMshwathi Municipality’s cemeteries.

***CHILD CARE FACILITIES***

As a way of promoting Early Childhood Development (ECD), the municipality has in the past years constructed and handed over a number of ECD centres. In the year under review, there were no ECD centres constructed, however, there was a major maintenance project done at Gulube Creche in ward 7.

***SPORTS DEVELOPMENT***

Sports development is an important part of Mkhambathini’ s youth development. In the financial year under review the following activities were implemented:

On the 19th of august 2023 Sport Development Office together with OSS and Special Programm had local selections to make ward-based teams and on the 30th of August 2023, District selections were conducted at Mkhambathini Municipality Camperdown Sport field, and we had about 71 athletes who participated. On the 12th -14th of September 2023, provincial Golden Games were held at Portsheptone at Gamalakhe Sports Complex where we were competing as Umgungundlovu District. Only one athlete was selected from our Local Municipality to national.

On the 17th of August 2023 Sports Development Office hosted schools Cup for both Mid Illovo and Mkhambathini Circuit for both primaries and high schools at Maqongqo Sport field. This is the annual tournament where learners get a chance to showcase their talent. Sports codes that were represented were soccer for both males and females and netball. AVBOB, AQuelle, Metropolitan and FM Media were our sponsors.

On the 23rd of September 2023, Sport Development Office with the assistance of the federations and Sports Stars hosted SALGA selection games at a ward-based level where all 7 wards were playing different sports codes in their wards. All selected athletes represented their wards in the District Selection Games.

On the 21st of October 2023, Sport Development Office with the assistance of Sport stars and federations hosted District SALGA Selection Games at Camperdown Sport field and Lion Park Sportsfields. The selection was a success. Athletes that were selected were to represent their Local Municipality at a district level.

On the 4th and 5th of November 2023, Mkhambathini Municipality was part of the District SALGA Games Selection held at Msunduzi Municipality.

On the 16th of October 2023, Mkhambathini Municipality together with Mkhambathini Athletic Club hosted Mkhambathini Marathon at Camperdown. The event was a success.

On the 22nd of October 2023 Mkhambathini Municipality hosted Mayoral Games with the purpose of giving each young person a chance to participate in sport.

***YOUTH DEVELOPMENT***

1). A total number of 46 first year and returning students were assisted with registration fees including students from TVET Colleges.

2. The Annual Matric Excellence Awards was held in February 2024. Top achievers were awarded with laptops and certificates.

3. The Annual Career Exhibition for youth in school was held in May 2024. All matriculants from Mkhambathini Schools were transported to the Town Hall.

5. The Annual Matric Exam Prayers for Matriculants was held in October 2023. The prayer was held separately for both circuits, Mid Illovo and Mkhambathini circuits

6. In partnership with EDTEA, the youth office organized NEMISA Digital Literacy workshop in September 2024.

7. The youth development office coordinated Mkhambathini Youth empowerment summer school in December 2024.

3.12. ***OTHER PROGRAMMES***

**SPECIAL PROGRAMMES:**

The Special Programmes (SP) Unit within Community Services Department aims to redress previous imbalances, create equal opportunities, and promote accessibility, transparency, and accountability of target groups development programmes. The following activities were implemented in the year under review:

**SENIOR CITIZENS**

Senior Citizens Programmes - Active Aging The municipality participates in the active aging programme led by the Department of Sports, Arts and Culture which is commonly known as the Golden Games.

The following activities were done in 2024/2025:

Local based Golden Games programme held on 19 August 2023, with 120 senior citizens that participated.

District Golden Games programme held on 30 August 2023, with 71 Senior Citizens participating.

Provincial Golden Games programme held on 12-14 September 2023, with 6 athletes representing Mkhambathini Municipality in the District squad and only one proceeded to the National competitions. –

Senior Citizen Year End Function Mkhambathini Local Municipality commemorate senior citizen day annually with the purpose to show appreciation and acknowledgement towards them by handing out gifts. These events took place on the 08th of December 2023 at Ndaya Area at Nsongeni VD in ward 7 and Camperdown Hall in ward 03. And on 23 &24 we had a Christmas gift day where our Mayor, Speaker and all ward councillors visits senior citizens that have 100 years and above with blankets and Christmas grocery to their homes. The structure representing Senior Citizen in Mkhambathini is currently being finalized and will be launched in quarter 1 2024/2025.

**DISABILITY PROGRAMME**

The purpose of this event is that South Africa celebrates National Disability Rights Awareness Month annually between 3 November and 03 December. 03 December is the International Day of People with disabilities and is also celebrated as National Disability Rights Awareness Day. The Mkhambathini Local Municipality host this event annually to celebrate people with disability in Mkhambathini, under the Special Programmes Unit/ Office. The events took place on the 08th of December 2023 at Manzamnyama Hall in ward 02. There is Disability Forum as a structure and it is functional, and the gifts distributed in the program was Wheelchairs, blankets, and sunscreens. There were 320 disabled participants in attendance.

1)Disability Forum Meetings

The Disability Forum Meetings are held quarterly. The structure recently coopted a new member in ward 7 to replace a member that had passed on.

**GENDER PROGRAMME**

The women and men’s Dialogue on Gender Based Violence, the aim of these dialogues is to create a platform for the women of Mkhambathini to express their issues and experiences in the community. The following programmed were held in 2023/2024:

-The GBVF Picket took place at Camperdown Spar and ended by handing over of the offices that are GBV friendly offices that are specified to GBV cases only on the 7th December 2023. 50 representatives of different stakeholders participated.

-On the 8th of December 2023, the Municipality and other LAC stakeholders coordinated a program focused on HIV/AIDS and Gender issues. This was in line with commemorating World AIDS day as well as 16 days of activism on no Violence against Women and Children. There were about 250 participants.

-On the 16th of March 2024, the municipality coordinated the annual women’s symposium focusing on Opportunities for growth and development of women in the municipality, Women’s Health Issues, Gender Based Violence and issues affecting women and the role of women in Society (democratic South Africa). About 600 women attended the programme.

**HIV/AIDS PROGRAMME**

The Mkhambathini Local Municipality HIV & AIDs, Tuberculosis and Sexually Transmitted Infections Multi-Sectoral Implementation Plan (MLIP) 2023-2028 is the key guiding document for the Multi-sectoral response to HIV & AIDS, Tuberculosis (TB), Sexually Transmitted Infections and Viral Hepatitis in Mkhambathini for 2023-2028. In line with the approach applied throughout the Province of KwaZulu-Natal, Mkhambathini will continue using the multi-sectoral approach to respond to HIV & AIDS, TB and Sexually Transmitted Infections (STIs) through this plan. The plan also contributes to cementing the UNAIDS “Three Ones” Principle adopted by the province in the year 2000. It therefore fulfils the requirement of the first of the “Three Ones” principle-One Agreed Action Framework[1]. All response stakeholders in Mkhambathini have the opportunity to use this document as a reference in tackling the scourge of HIV& AIDS, TB and STIs. With the plan in place, the Second and the Third of the of the Three Ones Principle namely; One Coordinating Authority in the form of the Local AIDS Council and One Agreed Monitoring and Evaluation framework respectively have a basis for operations.

Guided by the District as well as the Mkhambathini Municipality’s HIV/AIDS Strategy, the municipality implemented the following activities in the financial year under review:

1.Coordinate and hold life skills, workshops and programmes aimed at reducing teenage pregnancy, substance abuse and HIV/AIDS infections amongst teenagers and youth/any new pandemic.

2.Coordinate and hold a life skills workshops for youth, Parenting workshops for young m others, teenager health mentors and Families Matter Workshops.

The LAC resolved to embark on the process of reviewing the Mkhambathini Local Multisectoral Plan for HIV, TB and STIs that would be active for the next five (5) years, 2023 to 2028. The process implemented by Best Effort Investment and adopted by Council on in February 2024. Among other things, the stakeholders are required to provide reports detailing their efforts towards achieving the set objectives.

In the year under review, there were four (4) LAC meetings held successfully with the majority of stakeholders in attendance.

**OPERATION SUKUMA SAKHE**

For the OSS programme to be fully functional it is imperative that all the stakeholders involved in community development as well as socio-economic empowerment programmes be actively involved in all the programmes and meetings convened to address issues escalated through war room structures.

Previous years’ experience of non-attendance by key stakeholders indicated a need for joining the stakeholder engagement structures as the outcry was the fact that there are too many meetings that require similar stakeholders. As such the Mkhambathini Municipality’s LTT and LAC run concurrently which has been well received by the stakeholders. This structure reports to the OSS District Task Team as well as the District Development Model (DDM) Social Cluster and the Justice Cluster. The DDM Social Cluster is Chaired by the Municipality’s OSS Champion and the Chairperson of the LTT (also Director Community Services) seats in both clusters which assists to escalate the issues raises by war rooms as well as recommendations of the LTT.

The LTT/ LAC meetings convene quarterly with good attendance by the stakeholders, with the exception of Department of Transport, Department of Justice, SAPS and Department of Home Affairs.

Through the meetings and recommendations done by this structure the following has been achieved:

Review of the Mkhambathini Local Municipality’s multi sectoral plan for HIV&AIDS, Tuberculosis and sexually transmitted infections 2023-2028 which was adopted by Council on 28 February 2024.

Operation MBO programme by multi-stakeholders (Department of health, the Municipality (dealing with Hope Affairs issues and bookings for IDs), Department of Social Development, SASSA, Health Systems Trust and other Civil Society structures).

This was held in ward 7 on with 550 participated and ward 2 on the 05th April 2024 with 342 participants. - Development of an multistakeholder Senior Citizens work plan by DSD, Age in Action and the Municipality. - Development of the multistakeholder gender-based violence plan.

Revamp of the Victim friendly services offices at the Camperdown Police station led by the Community Safety Forum, Community Policing Forum, Department of Community Safety and Liaison, DSD, and the municipality.

War room cases reporting template developed and used for reporting by War rooms.

**SPORTING FACILITIES:**

The municipality has a total of 16 sports fields that accommodate different sporting codes. These have been allocated Caretakers under the EPWP programme**.**

*T3.12.1*

SERVICE STATISTICS FOR LIBRARIES; COMMUNITY FACILITIES &LIBRARY

Mkhambathini Municipality has a total of three libraries and one mobile library. The Camperdown Library [main library] is in Ward 3 within the municipal premises; the Nokuphiwa Modular Library is in Ward 1 Maqongqo area, and the Mobile Library is in Embo Area Ward 7.

The Camperdown Library is operated by 3 staff members [Librarian, Library Assistant and the Cyber cadet].

Library outreach programmes were implemented in quarter 1 and quarter 2.

The Nokuphiwa Modular Library is operated by 5 staff members who are employed on contract basis [Librarian, Library Assistant, Cyber cadet and 2 security guards]. The Embo Mobile Library Unit is operated by one volunteer.

The libraries operate from Monday-Friday 07:45 am-16:15 pm. On Saturdays only the Camperdown Library and the Nokuphiwa Modular Library open from 08:00 am – 12:00pm.

Our library’s operations are funded by the Department of Arts & Culture through an annual grant that is given to the municipality. The municipality signs a Memorandum of Agreement with the Department of Arts & Culture on annual basis. The MOA stipulates how the funds should be distributed amongst the three libraries.

Performance and accessibility of the libraries is measured through monthly reports that are submitted by the librarian on activities, community outreach programs, membership statistics as well as reports on trainings offered by the Cyber cadet.

*T 3.12.2*

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Employees: Libraries; Archives; Museums; Galleries; Community Facilities; Other** | | | | | |
| **Job Level** | **Year -1** | **Year 0** | | | |
| **Employees** | **Posts** | **Employees** | **Vacancies (fulltime equivalents)** | **Vacancies (as a % of total posts)** |
| **No.** | **No.** | **No.** | **No.** | **%** |
| 7 - 9 | 5 | 5 | 5 | 0 | 0% |
| 10 - 12 | 3 | 3 | 3 | 0 | 0% |
| Total | 8 | 8 | 8 |  |  |
| *Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as of 30 June. \*Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g., ‘senior management’) then dividing that total by 250 to give the number of posts equivalent to the accumulated days. T 3.12.4* | | | | | |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Financial Performance Year 0: Libraries; Archives; Museums; Galleries; Community Facilities; Other** | | | | | |
| **R'000** | | | | | |
| **Details** | **Year -1** | **Year 0** | | | |
| **Actual** | **Original Budget** | **Adjustment  Budget** | **Actual** | **Variance to Budget** |
| **Total Operational Revenue** |  |  |  |  |  |
| Expenditure: |  |  |  |  |  |
| Employees | 2234 | R2 955 912 | R2 955 912 | R1 855 110 | 0% |
| Repairs and Maintenance |  |  |  |  |  |
| Other |  |  |  |  |  |
| **Total Operational Expenditure** |  |  |  |  |  |
| *Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.* | | | | | *T 3.12.3* |

COMMENT ON THE PERFORMANCE OF LIBRARIES; ARCHIVES; MUSEUMS; GALLERIES; COMMUNITY FACILITIES OVERALL:

Our libraries are trying to be accessible to meet the educational, recreational and information needs of the community at large through several programs and activities they are performing. These range from library displays, library information session days, visiting local schools around Mkhambathini, competitions, online student support, access to internet services and trainings for community on usage of computers and internet.

*T 3.12.4*

### 3.13 CEMETORIES AND CREMATORIUMS

INTRODUCTION TO CEMETORIES & CREMATORIUMS

Due to lack of land availability, the Mkhambathini municipality does not own municipal Cemeteries and Crematoria.

*T 3.13.1*

SERVICE STATISTICS FOR CEMETORIES & CREMATORIUMS

In some of the tribal authority areas, the community members have burial sites within their family homes (yards).

*T 3.13.*

COMMENT ON THE PERFORMANCE OF CEMETORIES & CREMATORIUMS OVERALL:

Some community members have burial sites within their family homes (yards). However, the majority uses either Msunduzi Municipality’s Cemeteries or Crematoria, Mophela cemeteries (under eThekwini Municipality) as well as uMshwathi Municipality’s.

*T 3.13.3*

### 3.14 CHILD CARE; AGED CARE; SOCIAL PROGRAMMES

INTRODUCTION TO CHILDCARE; AGED CARE; SOCIAL PROGRAMMES

Operation Sukuma Sakhe (OSS) is a Provincial programme that is a call for all public service institutions within KwaZulu Natal to contribute towards poverty alleviation and rebuilding the communities. This programme aims to facilitate provision of Government services to communities and households as early as possible through collaboration and integration of all interventions of the various Government Departments. OSS requires that communities be profiled, and the information gathered to be discussed at ward War Rooms by their field workers and Intervention and interventions thereof is facilitated through the Local Task Team by various relevant stakeholders. At the same time, the special programmes comprise various social projects aimed at socio economic empowerment and support of vulnerable groups.

Furthermore, this business unit is responsible for ensuring that the municipality develops and implements the indigent policy that promotes provision of basic services to less fortunate residents of Mkhambathini Municipality. This business unit focusses on the following vulnerable groups:

• Early Childhood Development

• Senior Citizen

• People with Disability

• Gender (Women & Men)

Functional Operation Sukuma Sakhe.

The municipality’s Operation Sukuma Sakhe programme is fully functional with all the required structures in place to attend to issues related to poverty alleviation.

a.Local Task Team (LTT) and Local Aids Council (LAC)

For the OSS programme to be fully functional it is imperative that all the stakeholders involved in community development as well as socio-economic empowerment programmes be actively involved in all the programmes and meetings convened to address issues escalated through war room structures.

Previous years’ experience of non-attendance by key stakeholders indicated a need for joining the stakeholder engagement structures as the outcry was the fact that there are too many meetings that require similar stakeholders. As such the Mkhambathini Municipality’s LTT and LAC run concurrently which has been well received by the stakeholders.

This structure reports to the OSS District Task Team as well as the District Development Model (DDM) Social Cluster and the Justice Cluster. The DDM Social Cluster is Chaired by the Municipality’s OSS Champion and the Chairperson of the LTT (also Director Community Services) seats in both clusters which assists to escalate the issues raises by war rooms as well as recommendations of the LTT.

The LTT/ LAC meetings convene quarterly with good attendance by the stakeholders, with the exception of Department of Transport, Department of Justice, SAPS and Department of Home Affairs.

Through the meetings and recommendations done by this structure the following has been achieved:

• Review of the Mkhambathini Local Municipality’s multi sectoral plan for HIV&AIDS, Tuberculosis and sexually transmitted infections 2023-2028 which was adopted by Council on 28 February 2024.

• Operation MBO programme by multi-stakeholders (Department of health, the Municipality (dealing with Hope Affairs issues and bookings for IDs), Department of Social Development, SASSA, Health Systems Trust and other Civil Society structures). This was held in ward 7 on.. with 550 participated and ward 2 on the 05th April 2024 with 342 participants.

•Development of an multistakeholder Senior Citizens work plan by DSD, Age in Action and the Municipality.

• Development of the multistakeholder gender based violence plan.

• Revamp of the Victim friendly services offices at the Camperdown Police station led by the Community Safety Forum, Community Policing Forum, Department of Community Safety and Liaison, DSD, and the municipality.

• War room cases reporting template developed and used for reporting by War rooms.

b. Ward Task Team (War Room) and Ward Aids Council

The War room meetings are held monthly by all seven (7) wards. Attendance by some of the key stakeholders/ sector departments is still a great concern that has been escalated to the DDM structures.

The biggest highlight has been the employment of Ward Assistants with fully furnished offices in all seven wards. The ward assistants operate from the OSS war room venues which means that the community can walk in and report cases without having to wait for meetings.

The war room structures in all seven wards are functional with room for improvement. The main issue that needs to address soon is the branding of OSS War room venues. Furthermore, the key sector departments need to be engaged through the DDM so that they will attend to war room issues pertaining to their departments.

c. Indigent households’ programmes

• 348 EPWP participants are all from indigent households.

• About 120 Social relief groceries for bereaved families were donated to contribute towards the funeral costs when there is a death in an indigent household. Over and above the municipality’s groceries programme 06 coffins were donated by KZN Casket and Coffins.

*T 3.14.1*

SERVICE STATISTICS FOR CHILDCARE

Mkhambathini makes provision of Early Childhood Development Centres within the municipal area as well as the Department of Social Development makes provision of ECD, Youth Centres within the municipal area.

*T 3.14.2*

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Child Care; Aged Care; Social Programmes Policy Objectives Taken From IDP** | | | | | | |
| **Service Objectives** | **Outline Service Targets** | **Year -1** | | **Year 0** | | |
|  | **Target** | **Actual** | **Target** | | **Actual** |
| ***Service Indicators*** | **\*Previous Year** |  | **\*Previous Year** | **\*Current Year** |  |
| To promote the rights of vulnerable groups through various socio-economic development programmes | Date of Annual Review of the Youth Development Strategy/Plan | N/A | N/A | N/A | 30 June 2024 | 27 June 2024 |
| Number of Quarterly Disability Programmes | 4 | 3 | 4 | 4 | 1 |
| Number of Quarterly Gender Based Activities | N/A | N/A | N/A | 34 | 3 |
|  | Number of quarterly Senior Citozens Programmes | N/A | N/A | N/A | 8 | 6 |
| *Note: This statement should include no more than the top four priority service objectives. The indicators and targets specified above (columns (i) and (ii)) must be incoporated in the indicator set for each municipality to which they apply. These are 'universal municipal indicators'. \* 'Previous Year' refers to the targets that were set in the Year -1 Budget/IDP round; \*'Current Year' refers to the targets set in the Year 0 Budget/IDP round. \*'Following Year' refers to the targets set in the Year 1 Budget/IDP round. Note that all targets in the IDP must be fundable within approved budget provision. MSA 2000 chapter 5 sets out the purpose and character of Integrated Development Plans (IDPs) and chapter 6 sets out the requirements for the reduction of performance management arrangement by municipalities in which IDPs play a key role.*  *T 3.14.3* | | | | | | |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Employees: Child Care; Aged Care; Social Programmes** | | | | | |
| **Job Level** | **Year -1** | **Year 0** | | | |
| **Employees** | **Posts** | **Employees** | **Vacancies (fulltime equivalents)** | **Vacancies (as a % of total posts)** |
| **No.** | **No.** | **No.** | **No.** | **%** |
| 10 - 12 | 1 | 1 | 1 | 0 | 0% |
| Total | 1 | 1 | 1 | 0 | 0% |
| *Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as of 30 June. \*Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g., ‘senior management’) then dividing that total by 250 to give the number of posts equivalent to the accumulated days.*  *T 3.14.4* | | | | | |

COMMENT ON THE PERFORMANCE OF CHILDCARE; AGED CARE; SOCIAL PROGRAMMES OVERALL:

The Municipality is engaging with service providers to create computer hubs within each Ward. This will assist learners to participate in the information and technology world. This project will be rolled out in terms of private/public partnership programme.

The population of the municipality is faced with a challenge of HIV/AIDS related diseases. A lot has been done to promote awareness of the problem through the office of the Mayor and our HIV/AIDS unit. Several awareness programmes have been rolled out to the community and around Mkhambathini schools.

The Special Programs Unit focuses on senior citizens, children, people with disabilities and gender issues. The main purpose of this programme is to ensure social cohesion/ inclusion of those considered as vulnerable groups.

*T 3.14.5*

## COMPONENT E: ENVIRONMENTAL PROTECTION

This component includes pollution control, biodiversity, and landscape.

INTRODUCTION TO ENVIRONMENTAL PROTECTION

Environmental Protection and Pollution control still rests with uMgungundlovu District Municipality Environmental Health Unit.

*T 3.15*

### 3.15 POLLUTION CONTROL

INTRODUCTION TO POLLUTION CONTROL

The Monitoring is conducted by the provincial Department of Economic Development, Tourism and Environmental Affairs.

*T 3.15.1*

SERVICE STATISTICS FOR POLLUTION CONTROL

The Municipality contributes by providing equipment and staff to address litter and refuse collection. The District Municipality which addresses water and sanitation related matters have engaged with communities in awareness campaigns in partnership with NGO’s and CGOs within the municipality.

*T 3.15.2*

COMMENT ON THE PERFORMANCE OF POLLUTION CONTROL OVERALL:

The District Municipality which addresses water and sanitation related matter have engaged with communities in awareness campaigns in partnership with NGO’s and CGOs within the Municipality.

*T 3.15.3*

### 3.16 BIO-DIVERSITY; LANDSCAPE (INCL. OPEN SPACES); AND OTHER (EG. COASTAL PROTECTION)

INTRODUCTION BIO-DIVERSITY AND LANDSCAPE

Biodiversity and Land Use Project implemented by SANBI in partnership with uMgungundlovu District Municipality is contributing to the mainstreaming of biodiversity into Mkhambathini Local Municipality planning tools.

*T 3.16*

SERVICE STATISTICS FOR BIO-DIVERSITY AND LANDSCAPE

SANBI has provided funding to develop/review the Spatial Development Framework (SDF) of Mkhambathini Local Municipality. The project is ongoing. The purpose for this project is to minimize threats to biodiversity through planning that caters for biodiversity.

*T 3.16.1*

COMMENT ON THE PERFORMANCE OF BIO-DIVERSITY; LANDSCAPE AND OTHER OVERALL:

Bio resource units are demarcated areas in which the environmental conditions such as soil, water, vegetation, climate, and terrain are sufficiently like permit uniform recommendations of land use for a given area. It also provides a framework for decision- making regarding the types of crops that can be grown and the expected yields per unit area to be made. Various bio resource units are grouped together to form bio resource groups for an area. This permits easier agricultural planning and allocation of agricultural resources for a given area.

*T 3.16.2*

## COMPONENT F: HEALTH

This component includes clinics; ambulance services; and health inspections.

INTRODUCTION TO HEALTH

*Note: Recent legislation includes the National Health Act 2004.*

The function of delivering health services falls under the provincial Health Department and we support their programmes, through awareness.

The area has 6 clinics operating, within Mkhambathini, as follows:

Maguzu clinic – ward 1

Njabulo Clinic – ward 2

Embo Clinic - ward 7

Baniyena clinic – ward 7

Mkhambathini Mobile – ward 1

Mkhambathini Mobile – ward 2

The population of the Municipality is faced with a challenge of HIV/AIDS related diseases, and social ills, even though this is not unique to the municipality as the whole country is faced with the same challenge. A lot has been done to promote awareness of the problem through the office of the mayor.

The fight against HIV/AIDS is handled in a coordinated manner by government departments and NGO’s. Mkhambathini also participates in Provincial Aids Council and District Aids Council to help provide support and co-ordination of AIDS initiatives. At a local municipal level Aids Forums or Councils provide a good vehicle for expansion and co-ordination of the HIV and AIDS awareness campaigns.

### 3.17 CLINICS

INTRODUCTION TO CLINICS

With the assistance of the Department of Health and the UMDM, several awareness programmes have been rolled out to the community and around Mkhambathini schools.

The municipality has reviewed the Multi stakeholders HIV Strategy now referred to as the Mkhambathini Local Multisectoral Plan for HIV, TB and STIs 2023-2028. This strategy looks at broad programmes of dealing with pandemic in the greater municipal area in the next five years. *T 3.17*

COMMENT ON THE PERFORMANCE OF CLINICS OVERALL

With the assistance of the Department of Health and the UMDM, several awareness programmes have been rolled out to the community and around Mkhambathini schools.

The municipality has developed an HIV/AIDS strategy. This strategy looks at broad programmes of dealing with pandemic in the greater municipal area in the next five years.

*3.17.1*

### 3.18 AMBULANCE SERVICES

INTRODUCTION TO AMBULANCE SERVICES

*This function rests with the Department of Health as well as private ambulance services*

*T 3.18.1*

### 3.19 HEALTH INSPECTION; FOOD AND ABBATOIR LICENSING AND INSPECTION; ETC

INTRODUCTION TO HEALTH INSPECTIONS; FOOD AND ABATTOIR LICENCING AND INSPECTIONS, ETC

*Not a municipal function- uMgungundlovu District Municipality and Economic Development Tourism and Environmental Affairs.*

*T 3.19*

## COMPONENT G: SECURITY AND SAFETY

This component includes police; fire; disaster management, licensing and control of animals, and control of public nuisances, etc.

INTRODUCTION TO SECURITY & SAFETY

Mkhambathini Municipality has prioritized the provision of Disaster Management Services in line with the amended Disaster Management Act no 57 of 2002 to ensure prevention and reduction of disaster risks, mitigation of severity of disasters, preparedness for emergencies, rapid response and post-disaster recovery and rehabilitation. The municipality has developed a draft community safety plan that has been by noted by council. The plan has been drafted and the municipality will be assisted by the Department of Community Safety and liaison to assist us to look into safety measures and guidelines of developing a plan which contains the strategic interventions formulated to improve the safety of the community, visitors and those who do business in Mkhambathini Local Municipality

*T 3.20*

### 3.20 POLICE

INTRODUCTION TO POLICE

*This is not a function of the municipality* -SAPS function

The municipality does not perform the security and safety function as it rests with the South African Police Services. We have several police stations within its jurisdiction. The current state is that community members in other areas indicate that the station is not properly servicing them, as there is a lack of resources for the police to perform their jobs.

*T 3.20.1*

COMMENT ON THE PERFORMANCE OF POLICE OVERALL:

*This is not a function of the municipality -SAPS function.*

The municipality will coordinate the implementation of this Community Safety Plan, which can only be implemented through a multi- disciplinary approach outlined in the National Crime Prevention Strategy in partnership with Disaster Management Unit of UMDM and Community Safety and Liaison Department.

*T 3.20.2*

### 3.21 FIRE

INTRODUCTION TO FIRE SERVICES

The fire services currently rests with the uMgungundlovu District Municipality’s fire department. Being a small municipality, Mkhambathini is not yet in a position to establish its own Fire Services Unit. As such the municipality’s Disaster Management Unit works closely with UMDM Fire Service staff who also participate in the Municipality’s Disaster Management Forum..

*T 3.21.1*

|  |
| --- |
| The Municipality has an established and functional Disaster Management Unit with the Disaster Management Officer, the GA seconded to the unit as well as 14 Ward based volunteers..  *T 3.21.2* |

COMMENT ON THE PERFORMANCE OF FIRE SERVICES OVERALL:

The Municipality has an established and functional Disaster Management Unit with the Disaster Management Officer, the GA seconded to the unit as well as 14 Ward based volunteers

*T 3.21.3*

### 3.22 OTHER (DISASTER MANAGEMENT, ANIMAL LICENCING AND CONTROL, CONTROL OF PUBLIC NUISANCES AND OTHER)

INTRODUCTION TO DISASTER MANAGEMENT, ANIMAL LICENCING AND CONTROL, CONTROL OF PUBLIC NUISANCES, ETC

As indicated, the duties of the Disaster Management Unit are carried out by the Disaster Management Officer, the GA seconded to the Unit, as well as 14 Volunteers. Furthermore, the office is also supported by uMgungundlovu District Municipality *T 3.22.1*

SERVICE STATISTICS FOR DISASTER MANAGEMENT, ANIMAL LICENCING AND CONTROL, CONTROL OF PUBLIC NUISANCES, ETC

Following the April 2022 floods, the Municipality was badly affected by the heavy rains that affected 171 households, with 145 partially damaged and 93 completely damaged. Within all these households, 711 people were affected. The municipality together with the uMgungundlovu District Municipality Disaster Management Unit, Provincial Disaster Management (COGTA), NGOs, SASSA and Department of Social Development swiftly responded with various relief measures including:

- The development of beneficiary list to be forwarded to the Department of Human Settlement for consideration of replacement of completely damaged structures with temporary residential units (TRUs).

- Immediate relief in the form of food parcels, blankets, plastic sheeting, Box B (by COGTA), psychosocial support for bereaved families, relocation of destitute families.

- It is to be noted that there were roads and bridges also damaged by the storms and a request for assistance with refurbishment was submitted to COGTA.

*T 3.22.2*

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Disaster Management, Animal Licencing and Control, Control of Public Nuisances, Etc Policy Objectives Taken From IDP** | | | | | | | | | | |
| **Service Objectives** | **Outline Service Targets** | **Service Indicators** | **Year -1** | | **Achieved / Not Achieved** | **Reason for Variance** | | **Year 0** | | |
|  |  | **Target** |  |  | |  | **Target** | | **Actual** |
| ***Service Indicators*** |  | **\*Previous Year** |  | **\*Previous Year** | **\*Current Year** |  |
| To ensure a functional Disaster Management Unit | Disaster Management Plans Developed and approved | Date of approval of the Disaster Management Plan review | 30 June 2022 | 30 June 2022 | Achieved | | period/A | 30 June 2023 | 30June 2024 | 27 June 2024 |
| Date of approval of the Disaster Management Seasonal Sector Plans review | 30 September 2022 and 21 March 2022 | Not Achieved | Not Achieved | | Delays in Risk Assessment | Not Achieved | 30 September 2023 and 31 March 2024 | 28September 2023 and 28 March 2024 |
|  | Ensure functional Disaster Advisory Forum | Number of Disaster Management Forum Meetings | 4 | 4 | N/A | | N/A | 4 | 4 | 4 |
| *Note: This statement should include no more than the top four priority service objectives. The indicators and targets specified above (columns (i) and (ii)) must be incoporated in the indicator set for each municipality to which they apply. These are 'universal municipal indicators'. \* 'Previous Year' refers to the targets that were set in the Year -1 Budget/IDP round; \*'Current Year' refers to the targets set in the Year 0 Budget/IDP round. \*'Following Year' refers to the targets set in the Year 1 Budget/IDP round. Note that all targets in the IDP must be fundable within approved budget provision. MSA 2000 chapter 5 sets out the purpose and character of Integrated Development Plans (IDPs) and chapter 6 sets out the requirements for the reduction of performance management arrangement by municipalities in which IDPs play a key role. T 3.22.3* | | | | | | | | | | |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Employees: Disaster Management, Animal Licencing and Control, Control of Public Nuisances, Etc** | | | | | |
| **Job Level** | **Year -1** | **Year 0** | | | |
| **Employees** | **Posts** | **Employees** | **Vacancies (fulltime equivalents)** | **Vacancies (as a % of total posts)** |
| **No.** | **No.** | **No.** | **No.** | **%** |
| 10 - 12 | 1 | 1 | 1 | 1 | 100% |
| Total | 1 | 1 | 1 | 1 | 100% |
| *Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. \*Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. ‘senior management’) then dividing that total by 250 to give the number of posts equivalent to the accumulated days.*  *T 3.22.4* | | | | | |

COMMENT ON THE PERFORMANCE OF DISASTER MANAGEMENT, ANIMAL LICENCING AND CONTROL OF PUBLIC NUISANCES, ETC OVERALL:

Since the municipality has just recently established the Disaster Management Unit, the process of developing essential strategic disaster management documents is still underway. The Municipality’s Disaster Management Sector Plan is currently being reviewed and is to be adopted by the end of 2022/23 financial. The current review has considered inclusion of the ecosystem-based disaster risk reduction (EcoDRR) strategy. This is with the view that taking care of the ecosystem, such as the wetlands, forests and rivers will assist in mitigating against natural disasters.

The municipality continues to proactively develop the seasonal Disaster Contingency Plans to ensure proper planning and seasonal disaster prevention..

*T 3.22.5*

## COMPONENT H: SPORT AND RECREATION

This component includes community parks and sports fields.

INTRODUCTION TO SPORT AND RECREATION

Sports development is an important part of Mkhambathini’ s youth development. In the financial year under review the following activities were implemented:

The Mkhambathini Local Sports Confederation Council 2017/2022 was established in July 2017 and is reviewed annually. This structure is made up of the following federations: Netball, Football, Boxing, Basketball, Volleyball,Karate, Athletics, Rugby, Indigenous Games (Khokho, Mlabalaba, Ingqathu, Dibeke and Inkatha), Athletics, Golden games and people living with disability are also represented.

The SALGA games 2023/2024 took place at Amajuba District.

*T 3.23*

### 3.23 SPORT AND RECREATION

SERVICE STATISTICS FOR SPORT AND RECREATION

Sports Stars programme/development is the program that was established to take sports to the community. The programme aimed to uplift sports in the underprivileged areas. Sports Stars are the eyes and the ears of the Sports Development office in the wards. This program has 14 youth participants responsible for training athletes, coaching clinics, refereeing/ umpire and ensuring that there is enough sports equipment for different sports codes within the communities in all 7 Wards.

The municipality has 16 sports fields which are taken care of and fully serviced by the municipality. The municipality also services 9 informal sports fields in the community.

GOLDEN GAMES.

On the 19th of august 2023 Sport Development Office together with OSS and Special Programm had local selections to make ward-based teams and on the 30th of August 2023, District selections were conducted at Mkhambathini Municipality Camperdown Sport field, and we had about 71 athletes who participated. On the 12th -14th of September 2023, provincial Golden Games were held at Portsheptone at Gamalakhe Sports Complex where we were competing as Umgungundlovu District. Only one athlete was selected from our Local Municipality to national.

MKHAMBATHINI MUNICIPALITY SCHOOLS CUP

On the 17th of August 2023 Sports Development Office hosted schools Cup for both Mid Illovo and Mkhambathini Circuit for both primaries and high schools at Maqongqo Sport field. This is the annual tournament where learners get a chance to showcase their talent. Sports codes that were represented were soccer for both males and females and netball. AVBOB, AQuelle, Metropolitan and FM Media were our sponsors.

SALGA SELECTION GAMES (WARD BASED LEVEL)

On the 23rd of September 2023, Sport Development Office with the assistance of the federations and Sports Stars hosted SALGA selection games at a ward-based level where all 7 wards were playing different sports codes in their wards. All selected athletes represented their wards in the District Selection Games.

DISTRICT SALGA SELECTION GAMES

On the 21st of October 2023, Sport Development Office with the assistance of Sport stars and federations hosted District SALGA Selection Games at Camperdown Sportfiled and Lion Park Sportsfield. The selection was a success. Athletes that were selected were to represent their Local Municipality at a district level.

UMGUNGUNDLOVU DISTRICT SALGA SELECTION GAMES

On the 4th and 5th of November 2023, Mkhambathini Municipality was part of the District SALGA Games Selection held at Msunduzi Municipality. All seven Local Municipalities were part of these games. It was a selection as well but through the tournament. Mkhambathini Municipality received Gold for soccer, silver for ladies’ soccer, silver for netball and silver for athletics.

Mkhambathini Marathon.

On the 16th of October 2023, Mkhambathini Municipality together with Mkhambathini Athletic Club hosted Mkhambathini Marathon at Camperdown. The event was a success.

MAYORAL GAMES

On the 22nd of October 2023 Mkhambathini Municipality hosted Mayoral Games with the purpose of giving each young person a chance to participate in sport..

*T 3.23.1*

|  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Sport and Recreation Policy Objectives Taken From IDP** | | | | | | | | | | |
| **Service Objectives** | **Outline Service Targets** | **Year 0** | |  |  | **Year 1** | | |  |  |
|  | **Target** | **Actual** | **Achieved/ Not Achieved** | **Reason for Variance** | **Target** | | **Actual** | **Achieved/ Not Achieved** | **Reason for Variance** |
| ***Service Indicators*** | **\*Previous Year** |  | **\*Previous Year** | **\*Current Year** |  |
| To promote Sports and Recreation | Number of Development Initiatives within the municipal area | N/A | N/A | N/A | N/A | N/A | 2 | 3 | Achieved | N/A |
| *Note: This statement should include no more than the top four priority service objectives. The indicators and targets specified above (columns (i) and (ii)) must be incoporated in the indicator set for each municipality to which they apply. These are 'universal municipal indicators'. \* 'Previous Year' refers to the targets that were set in the Year -1 Budget/IDP round; \*'Current Year' refers to the targets set in the Year 0 Budget/IDP round. \*'Following Year' refers to the targets set in the Year 1 Budget/IDP round. Note that all targets in the IDP must be fundable within approved budget provision. MSA 2000 chapter 5 sets out the purpose and character of Integrated Development Plans (IDPs) and chapter 6 sets out the requirements for the reduction of performance management arrangement by municipalities in which IDPs play a key role.*  *T 3.23.4* | | | | | | | | | | |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Employees: Sport and Recreation** | | | | | |
| **Job Level** | **Year -1** | **Year 0** | | | |
| **Employees** | **Posts** | **Employees** | **Vacancies (fulltime equivalents)** | **Vacancies (as a % of total posts)** |
| **No.** | **No.** | **No.** | **No.** | **%** |
| 10 - 12 | 1 | 1 | 1 | 0 | 0% |
| Total | 1 | 1 | 1 | 0 |  |
| *Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as of 30 June. \*Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g., ‘senior management’) then dividing that total by 250 to give the number of posts equivalent to the accumulated days.*  *T3.23.5* | | | | | |

## COMPONENT I: CORPORATE POLICY AND OTHER SERVICES

This component includes corporate policy, financial services, human resource services, ICT services, property services.

INTRODUCTION TO CORPORATE POLICY, Etc

The municipality has developed and adopted numerous policies that guide its operations ranging from Human Resource to information and communication technology.

*T 3.24*

### 3.24 EXECUTIVE AND COUNCIL

This component includes Executive office (mayor; councillors; and municipal manager).

INTRODUCTION TO EXECUTIVE AND COUNCIL

The municipality has a total of 14 Councillors comprising seven Ward councillors and five Proportional Representatives (PR ‘s). Each of the seven Wards has fully functional ward committees that serve to enhance public participation in municipal affairs.

*T 3.24.1*

SERVICE STATISTICS FOR THE EXECUTIVE AND COUNCIL

The Mkhambathini Local Municipality 5th generation IDP outlines a development agenda for the municipality for the period 2022/23 to 2026/27 As it is known that the IDP’s lifespan is linked to that of the term of Council, which is five years. It informs the budget and tries to respond to the aspirations and needs of the community of Mkhambathini Local Municipality and makes pronouncement of uMgungundlovu District Development Model.

A strategic framework which outlines Council’s Long-term vision with specific emphasis on the municipality’s most critical development objectives, action plans entailed in line the Covid-19 priorities and strategies (Development Strategies).

*T 3.24.*

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| --- | --- | --- | --- | --- | --- | --- | --- |
| **The Executive and Council Policy Objectives Taken From IDP** | | | | | | | |
| **Service Objectives** | **Outline Service Targets** | **Year -1** | | **Year 0** | | | **Year 1** |
|  | **Target** | **Actual** | **Target** | | **Actual** | **Target** |
| ***Service Indicators*** | **\*Previous Year** |  | **\*Previous Year** | **\*Current Year** |  | **\*Current Year** |
| To improve functioning of the municipality through oversight committee’s functionality | Coordinate Meetings of EXCO | 11 | 11 | 11 | 11 | 12 | 11 |
| Coordinate Meetings of Council | 11 | 11 | 11 | 11 | 9 | 11 |
| To transform the municipality into a performance driven institution | Date annual report tabled to Council | 31-Jan-22 | 31-Jan-22 | 31-Jan-22 | 31-Jan-23 | 31-Jan-23 | 25-Jan-24 |
| Date of Oversight report adoption by council | 31-Mar-22 | 15-Mar-22 | 15-Mar-22 | 31-Mar-23 | 31-Mar-23 | 31-Mar-24 |
| *Note: This statement should include no more than the top four priority service objectives. The indicators and targets specified above (columns (i) and (ii)) must be incoporated in the indicator set for each municipality to which they apply. These are 'universal municipal indicators'. \* 'Previous Year' refers to the targets that were set in the Year -1 Budget/IDP round; \*'Current Year' refers to the targets set in the Year 0 Budget/IDP round. \*'Following Year' refers to the targets set in the Year 1 Budget/IDP round. Note that all targets in the IDP must be fundable within approved budget provision. MSA 2000 chapter 5 sets out the purpose and character of Integrated Development Plans (IDPs) and chapter 6 sets out the requirements for the reduction of performance management arrangement by municipalities in which IDPs play a key role.*  *T3.24.3* | | | | | | | |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Employees: The Executive and Council** | | | | | |
| **Job Level** | **Year -1** | **Year 0** | | | |
| **Employees** | **Posts** | **Employees** | **Vacancies (fulltime equivalents)** | **Vacancies (as a % of total posts)** |
| **No.** | **No.** | **No.** | **No.** | **%** |
| 4 - 6 | 3 | 3 | 3 | 0 |  |
| 7 - 9 | 11 | 11 | 11 | 0 |  |
| Total | 14 | 14 | 14 | 0 |  |
| *Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. \*Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g., ‘senior management’) then dividing that total by 250 to give the number of posts equivalent to the accumulated days.*  *T 3.24.4* | | | | | |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Financial Performance Year 0: The Executive and Council** | | | | | |
| **R'000** | | | | | |
| **Details** | **Year -1** | **Year 0** | | | |
| **Actual** | **Original Budget** | **Adjustment  Budget** | **Actual** | **Variance to Budget** |
| **Total Operational Revenue** |  |  |  |  |  |
| Expenditure: |  |  |  |  |  |
| Employees | 5985 | 6960321 | 6960321 | 6288192 |  |
| Other |  |  |  |  |  |
| **Total Operational Expenditure** |  |  |  |  |  |
| *Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.* | | | | | *T 3.24.5* |

COMMENT ON THE PERFORMANCE OF THE EXECUTIVE AND COUNCIL:

In terms of Section 152 of the Constitution, the Council convened to ensure the adoption of the IDP/Budget and Performance Management System Process, the IDP, Budget, Organizational Scorecard, SDBIP, Performance Management related reports and other service delivery related deliberations. It should be noted that 11 meetings were planned for the period under review and five Special Council meetings were convened.

*T 3.24.6*

### 3.25 FINANCIAL SERVICES

INTRODUCTION FINANCIAL SERVICES

In terms of section 62 of the MFMA, the accounting officer of a municipality is responsible for managing the financial administration of the municipality. The financial services department has been established to address this responsibility. The financial services department comprises the following sub departments: Expenditure and Assets, Budget, Treasury and Revenue and Supply Chain Management.

*T 3.25.1*

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **Debt Recovery** | | | | | | | |
| **R' 000** | | | | | | | |
| **Details of the types of account raised and recovered** | **Year -1** | | **Year 0** | | | **Year 1** | |
| **Actual for accounts billed in year** | **Proportion of accounts value billed that were collected in the year %** | **Billed in Year** | **Actual for accounts billed in year** | **Proportion of accounts value billed that were collected %** | **Estimated outturn for accounts billed in year** | **Estimated Proportion of accounts billed that were collected %** |
| Property Rates | 23937227 | 89% | 19217 | 25116614 | 85% |  |  |
| Refuse | 596060 | 89% | 533 | 630172 | 85% |  |  |
| *B- Basic; C= Consumption. See chapter 6 for the Auditor General's rating of the quality of the financial Accounts and the systems behind them.* | | | | | | | *T 3.25.2* |

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **Financial Service Policy Objectives Taken From IDP** | | | | | | | |
| **Service Objectives** | **Outline Service Targets** | **Year 0** | | **Year 1** | | | **Year 2** |
|  | **Target** | **Actual** | **Target** | | **Actual** |  |
| ***Service Indicators*** | **\*Previous Year** |  | **\*Previous Year** | **\*Current Year** |  | **\*Current Year** |
| To ensure revenue enhancement | Percentage of Debt collection: Amount collected | 89.75% | 80% | 89.75% | 85% | 85% |  |
| To ensure enforcement of sound financial management practices | Date the procurement plan is submitted to Portfolio Committee and Treasury | 31-May-23 | 31-May-23 | 31-May-23 | 31-May-24 | 31-May-24 |  |
| *Note: This statement should include no more than the top four priority service objectives. The indicators and targets specified above (columns (i) and (ii)) must be incoporated in the indicator set for each municipality to which they apply. These are 'universal municipal indicators'. \* 'Previous Year' refers to the targets that were set in the Year -1 Budget/IDP round; \*'Current Year' refers to the targets set in the Year 0 Budget/IDP round. \*'Following Year' refers to the targets set in the Year 1 Budget/IDP round. Note that all targets in the IDP must be fundable within approved budget provision. MSA 2000 chapter 5 sets out the purpose and character of*  *Integrated Development Plans (IDPs) and chapter 6 sets out the requirements for the reduction of performance management arrangement by municipalities in which IDPs play a key role.*  *T 3.25.3* | | | | | | | |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Employees: Financial Services** | | | | | |
| **Job Level** | **Year -1** | **Year 0** | | | |
| **Employees** | **Posts** | **Employees** | **Vacancies (fulltime equivalents)** | **Vacancies (as a % of total posts)** |
| **No.** | **No.** | **No.** | **No.** | **%** |
| 4 - 6 | 1 | 1 | 1 | 0 | 0% |
| 7 - 9 | 1 | 1 | 1 | 0 | 0% |
| 10 - 12 | 3 | 3 | 3 | 0 | 0% |
| 13 - 15 | 4 | 4 | 4 | 0 | 0% |
| Total | 9 | 9 | 9 | 0 |  |
| *Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. \*Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. ‘senior management’) then dividing that total by 250 to give the number of posts equivalent to the accumulated days. T 3.25.4* | | | | | |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Financial Performance Year 0: Financial Services** | | | | | |
| **R'000** | | | | | |
| **Details** | **Year -1** | **Year 0** | | | |
| **Actual** | **Original Budget** | **Adjustment  Budget** | **Actual** | **Variance to Budget** |
| **Total Operational Revenue** | 120 | 145313640 | 245520312 | 244936143 | 2% |
| Expenditure: |  |  |  |  |  |
| Employees | 125 | 49690456 | 55935456 | 55935712 | 2% |
| Repairs and Maintenance | 25 | 29033000 | 29033000 | 21673816 | 2% |
| Other | 45 | 61884958 | 164550411 | 1700068594 | 2% |
| **Total Operational Expenditure** | 195 | 140608414 | 249518867 | 247678122 | 2% |
| *Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.* | | | | | *T 3.25.5* |

COMMENT ON THE PERFORMANCE OF FINANCIAL SERVICES OVERALL:

As per section 122 and 126 of the MFMA, the municipality must for each financial year prepare annual financial statements which must be submitted by the 31 August to the Auditor General.

The annual financial statements for the financial year 2023/2024 was compiled in terms of Generally Recognized Accounting Practice (GRAP) and was submitted to Auditor-General on the 30 August 2024.

*T 3.25.6*

### 3.26 HUMAN RESOURCE SERVICES

INTRODUCTION TO HUMAN RESOURCE SERVICES

The HR section delivers a support service to the other departments in the organization. Its primary function is to co-ordinate all HR activities. The primary objective of HR is to render an innovative service that addresses both skills development and an administrative function.

The HR Unit strives to:

1. Empower employees towards maximizing their personal potential and deliver on and exceed organizational requirements.

2. Continuously align the HR Strategy and the IDP, legislative requirements and best practices in HR fields.

3. Promote and practice “Putting people first” equity, fairness, objectivity and

consistency.

3. Committed to professional conduct.

4. Develop and adopt appropriate systems and procedures to ensure fair, efficient, effective, and transparent personnel administration.

The HR Unit consists of the following functions:

1.Labour Relations

2. Recruitment, Selection & Contract Management

3. Occupational Health & Safety

4. Learning & Development

5. Organizational Development and Planning

6. Employment Equity

7. Employee Wellness and Benefits

*T 3.26.1*

SERVICE STATISTICS FOR HUMAN RESOURCE SERVICES

The Municipality has an adopted Human Resources Strategy, and it is supported by the Municipal Workplace Skills Plan which assist the municipality in implementing skills based strategic priorities of the Municipality.

Activities

1. Wellness days

2.Submission of Workplace Skills Plan on 30 April 2024.

3.Internal Bursaries

4.Vacancy rate

5.Individual Performance Management System

Description

1.1 Workplace Skills Plan and Annual Training report was submitted to the LGSETA.

1.2 9 employees were awarded bursaries to further their studies at their respective institutions.

1.3 The total vacancy rate for 2023/2024 was 28%

*T 3.26.2*

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **Human Resource Services Policy Objectives Taken From IDP** | | | | | | | |
| **Service Objectives** | **Outline Service Targets** | **Year -1** | | **Year 0** | | | **Year 1** |
|  | **Target** | **Actual** | **Target** | | **Actual** | **Target** |
| ***Service Indicators*** | **\*Previous Year** |  | **\*Previous Year** | **\*Current Year** |  | **\*Current Year** |
| To ensure sound human resource management | Number of workshop/ trainings held on corporate policies | New | New | New | 1 | 1 | 1 |
| Number of IPMS implementation reports | New | New | New | 4 | 4 | 4 |
| Signed of attendance registers and monthly reports being monitored | New | New | New | 12 | 12 | 12 |
| *Note: This statement should include no more than the top four priority service objectives. The indicators and targets specified above (columns (i) and (ii)) must be incoporated in the indicator set for each municipality to which they apply. These are 'universal municipal indicators'. \* 'Previous Year' refers to the targets that were set in the Year -1 Budget/IDP round; \*'Current Year' refers to the targets set in the Year 0 Budget/IDP round. \*'Following Year' refers to the targets set in the Year 1 Budget/IDP round. Note that all targets in the IDP must be fundable within approved budget provision. MSA 2000 chapter 5 sets out the purpose and character of Integrated Development Plans (IDPs) and chapter 6 sets out the requirements for the reduction of performance management arrangement by municipalities in which IDPs play a key role.*  *T 3.26.3* | | | | | | | |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Employees: Human Resource Services** | | | | | |
| **Job Level** | **Year -1** | **Year 0** | | | |
| **Employees** | **Posts** | **Employees** | **Vacancies (fulltime equivalents)** | **Vacancies (as a % of total posts)** |
| **No.** | **No.** | **No.** | **No.** | **%** |
| 7 - 9 | 1 | 1 | 1 |  |  |
| 10 - 12 | 2 | 1 | 1 |  |  |
| 13 - 15 | 1 | 1 | 1 |  |  |
| Total | 3 | 3 | 4 |  |  |
| *Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. \*Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. ‘senior management’) then dividing that total by 250 to give the number of posts equivalent to the accumulated days.*  *T3.26.4* | | | | | |

COMMENT ON THE PERFORMANCE OF HUMAN RESOURCE SERVICES OVERALL:

The administrative structure of the Municipality as approved by the Council has 5 main Departments i.e., Office of the Municipal Manager, which is headed by the Municipal Manager, Department of Finance Services which is headed by the Chief Financial Officer and the Department of Corporate Services, Community Services and Technical, Planning and Development which are all headed by the Senior Managers.

All the Departmental heads have been appointed in terms of Section 54 of the Municipal Systems Act No 32 of 2000 which they report directly to the Municipal Manager.

The Municipality has a total staff complement of 184 approved posts in the organogram. 153 posts are filled and 31 are vacant. The management (section 57 employees) comprises of 2 (two) females and 3 (three) males, all positions have been filled. *T3.26.5*

### 3.27 INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES

This component includes Information and Communication Technology (ICT) services.

INTRODUCTION TO INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES

The Information Communication Technology (ICT) section is responsible for maintaining the stability of business systems and network infrastructure within the organization, requiring ongoing performance monitoring. It sets institution-wide standards for software configurations and implementation, ensuring compliance with Policies and Procedure Manuals. The ICT section works to maximize uptime, optimize performance, and fully utilize ICT resources while enforcing security measures and overseeing electronic data operations. It manages tasks related to End User support, diagnosing and resolving software and hardware issues to ensure the smooth operation of operating systems and applications across the Municipality. Additionally, the section employs system analysis techniques and collaborates with users to define hardware, software, and system specifications. It is also responsible for managing the LAN/WAN infrastructure, ensuring its continuous operation.

To achieve these objectives, the ICT unit has implemented Microsoft 365 applications, Sage 200 as the financial system, and Sage 300 for payroll and HR management. Daily user support is provided to ensure the institution, and its staff can effectively carry out their responsibilities. ICT policies have been developed and approved to ensure proper ICT governance.

Below outlines the ICT projects completed during 2023/2024.

**Project Title Start Date**

Public Wi-fi Rollout November 2023

Cloud based helpdesk system February 2024

**ICT Steering Committee and Its Roles in the Municipality**

The ICT Steering Committee in a municipality plays a vital role in overseeing the management and strategic direction of Information and Communication Technology (ICT) systems to ensure their alignment with the municipality’s overall goals and objectives. The committee's key responsibilities include:

a)Strategic Planning and Alignment: Ensuring that ICT strategies and initiatives align with the municipality’s broader goals, such as enhancing public services, improving citizen engagement, and supporting municipal operations.

b)Governance and Compliance: Monitoring the implementation of ICT policies and procedures to ensure compliance with relevant laws, regulations, and municipal guidelines. c)The committee promotes transparency, accountability, and proper governance of ICT resources and activities.

**Budgeting and Resource Management:**

Reviewing and approving the ICT budget to ensure efficient allocation of resources for ICT projects and initiatives. It also assesses the return on investment (ROI) for ICT-related expenditures.

Risk Management: Identifying and addressing risks related to ICT infrastructure, such as data security, system reliability, and disaster recovery. The committee ensures the implementation of safeguards to protect municipal data and services.

Project Oversight and Evaluation: Tracking the progress of ICT projects, assessing their success, and ensuring they meet performance targets, deadlines, and budgets. The committee ensures that projects align with the municipality’s needs and priorities.

Support and Guidance: Offering strategic support to ICT staff and other municipal departments, ensuring they have the necessary tools and expertise to meet their technology-related goals.

Stakeholder Communication: Serving as a liaison between the ICT department and other municipal stakeholders, including elected officials, departments, and the public. The committee fosters effective communication about ICT initiatives and promotes collaboration across departments.

The ICT Steering Committee members are as follows:

1)Director Corporate Services Department – Chairperson

2)Chief Financial Officer

3)Communications Officer

4)ICT Support Officer

ICT Staff

1)ICT Support Officer

2)ICT Helpdesk Administrator

3)ICT Intern

*T 3.27.1*

SERVICE STATISTICS FOR ICT SERVICES

\*Wi-fi Equipment

Wi-Fi-high speed equipment was installed in the Main Municipal building and Town Hall

\*New IT Equipment

Procurement of Tablets and Laptops

\*Functional Helpdesk

System is now used to log IT queries.

\*Disaster Recovery Site

The Site was identified, procurement of equipment is underway.

Virtual Meetings

\*Meetings are conducted on a virtual platform for most of the council committee meetings

Employee Self Service

\*Employees are using an online application to fill in their leave, and to do other Human resource related services

\*Remote working

Employees that are eligible to work remotely are accessing Municipal systems anywhere any time.

*T 3.27.2*

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **ICT Services Policy Objectives Taken From IDP** | | | | | | | |
| **Service Objectives** | **Outline Service Targets** | **Year -1** | | **Year 0** | | | **Year 1** |
|  | **Target** | **Actual** | **Target** | | **Actual** | **Target** |
| ***Service Indicators*** | **\*Previous Year** |  | **\*Previous Year** | **\*Current Year** |  | **\*Current Year** |
| To ensure effective and efficient ICT Management | Time taken to repair system outage | N/A | N/A | N/A | 12 | 12 |  |
| Cycle time: Time taken to provide customer support or help ticket | N/A | N/A | N/A | 12 | 12 |  |
| *Note: This statement should include no more than the top four priority service objectives. The indicators and targets specified above (columns (i) and (ii)) must be incoporated in the indicator set for each municipality to which they apply. These are 'universal municipal indicators'. \* 'Previous Year' refers to the targets that were set in the Year -1 Budget/IDP round; \*'Current Year' refers to the targets set in the Year 0 Budget/IDP round. \*'Following Year' refers to the targets set in the Year 1 Budget/IDP round. Note that all targets in the IDP must be fundable within approved budget provision. MSA 2000 chapter 5 sets out the purpose and character of Integrated Development Plans (IDPs) and chapter 6 sets out the requirements for the reduction of performance management arrangement by municipalities in which IDPs play a key role.*  *T 3.27.3* | | | | | | | |



COMMENT ON THE PERFORMANCE OF ICT SERVICES OVERALL:

The Information and Communication Technology (ICT) Unit has maintained the ongoing stability of business systems and network infrastructure within the organization through consistent performance monitoring. According to the AG report for the year under review, there were no significant issues related to IT. However, there is still much work to be done in automating all services to enhance efficiency and effectiveness.

*T3.27.5*

### 3.28 PROPERTY; LEGAL; RISK MANAGEMENT AND PROCUREMENT SERVICES

This component includes property; legal; risk management and procurement services.

INTRODUCTION TO PROPERTY; LEGAL; RISK MANAGEMENT AND PROCUREMENT SERVICES

Section 62 (i) of the MFMA required that the municipality have and maintain and effective, efficient, and transparent system of risk management. The municipality undertook to implement and comply with this section, and this resulted in the development of the Risk Action Plan through a workshop which is held bi-annually with the assistance of Internal Audit

The municipality has in place tender committees to ensure compliance and sound controls over the handling of procurement matters above R200 000. The bid committees are in place and have been reviewed in the 2023/2024 financial year to improve efficiencies within the system and will continue to be reviewed annually.

*T3.28.1*

SERVICE STATISTICS FOR PROPERTY; LEGAL; RISK MANAGEMENT AND PROCUREMENT SERVICES

Council took a resolution that senior managers take responsibilities of Risk Management Committee, for the committee to add more value the municipality is planning to appoint an external chairperson who will have an independent view on the process. The Committee is functional and reports to the Audit and Performance Management Committee on a quarterly basis.

The performance of the bid committees underpins the provision of services. It is therefore important that the municipality can play close monitoring over the procurement cycle to ensure service delivery targets are met. Each committee is constituted with the right calibre of employees with an intent to ensure the right balance of expertise within the committee system.

In the 2023/2024 the performance against the critical targets set within the SDBIP in relation to the efficiency of committee reflected a slow move between the evaluation committee and the adjudication committee which is mainly due to lack of quorum thus delaying the conclusion of tenders after closure. The bid specification committee performed with efficacy and managed to perform in lesser time than projected in the SDBIP.

*T 3.28.2*

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **Property; Legal; Risk Management; and Procurement Services Policy Objectives Taken From IDP** | | | | | | |  |
| **Service Objectives** | **Outline Service Targets** | **Year -1** |  | **Year 0** |  |  | **Year 1** |
|  |  | **Target** | **Actual** | **Target** |  | **Actual** | **Target** |
| ***Service Indicators*** |  | **\*Previous Year** |  | **\*Previous Year** | **\*Current Year** |  | **\*Current Year** |
| To implement and maintain effective enterprise risk management system | Number of risk management Registers Submitted to MM/MANCO | 4 | 4 | 4 | 4 | 4 | 4 |
| To ensure effective and efficient supply chain management system | Convening of BEC within 15 days after the closing date of an advert | 15 days | BEC took longer than 15 days | 15 days | 15 days | Not Achieved | 15 days |
|  | Convening of BAC within 14 working days after the BEC meetings | 14 days | BAC took longer than 14 days | 14 days | 14 days | Not achieved | 14 days |
| *Note: This statement should include no more than the top four priority service objectives. The indicators and targets specified above (columns (i) and (ii)) must be incoporated in the indicator set for each municipality to which they apply. These are 'universal municipal indicators'. \* 'Previous Year' refers to the targets that were set in the Year 0 Budget/IDP round; \*'Current Year' refers to the targets set in the Year 1 Budget/IDP round. \*'Following Year' refers to the targets set in the Year 2 Budget/IDP round. Note that all targets in the IDP must be fundable within approved budget provision. MSA 2000 chapter 5 sets out the purpose and character of Integrated Development Plans (IDPs) and chapter 6 sets out the requirements for the reduction of performance management arrangement by municipalities in which IDPs play a key role.*  *T 3.28.2* | | | | | | | |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Employees: Property; Legal; Risk Management; and Procurement Services** | | | | | |
| **Job Level** | **Year -1** | **Year 0** | | | |
| **Employees** | **Posts** | **Employees** | **Vacancies (fulltime equivalents)** | **Vacancies (as a % of total posts)** |
| **No.** | **No.** | **No.** | **No.** | **%** |
| 7 - 9 | 1 | 1 | 1 | 0 | 0 |
| 10 - 12 | 1 | 1 | 1 | 0 | 0 |
| Total | 2 | 2 | 2 | 0 | 0 |
| *Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as of 30 June. \*Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g., ‘senior management’) then dividing that total by 250 to give the number of posts equivalent to the accumulated days.*  *T 3.28.3* | | | | | |

COMMENT ON THE PERFORMANCE OF PROPERTY SERVICES OVERALL:

The poor performance in the speedy conclusion of tenders was also hampered by the lack of implementation of the procurement plan which will be enhanced during 2023/2024.

The procurement plan is linked to the timeframes set in the SDBIP in finalizing the tender process within stipulated timeframes for the municipality to meet its service delivery commitments as suggested in the SDBIP.

*T 3.28.4*

## COMPONENT J: MISCELLANEOUS

This component includes: the provision of Airports, Abattoirs, Municipal Courts and Forestry as municipal enterprises.

INTRODUCTION TO MISCELLANEOUS

*Not functions of the municipality.*

*T 3.29.*

## COMPONENT K: ORGANISATIONAL PERFOMANCE SCORECARD

This component includes Annual Performance Scorecard Report for the current year.

**Refer to Annexure B**

# CHAPTER 4 – ORGANISATIONAL DEVELOPMENT PERFORMANCE

# (PERFORMANCE REPORT PART II)

INTRODUCTION

To promote accountability to the local community for the decisions made throughout the year by the municipality as per Section 121 (2)(c) of the Municipal Finance Management Act read in conjunction with, Section 18(1)(d) of the Municipal Systems Act. The municipality must ensure that the relevant governance structures exist and are functional. Both the political and administrative structures of the municipality need to be fully capacitated in terms of numbers and of skills.

*T 4.0.1*

## COMPONENT A: INTRODUCTION TO THE MUNICIPAL PERSONNEL

### 4.1 EMPLOYEE TOTALS, TURNOVER AND VACANCIES

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Employees** |  |  |  |  |  |
| **Description** | **Year -1** | **Year 0** |  |  |  |
|  | **Employees** | **Approved Posts** | **Employees** | **Vacancies** | **Vacancies** |
|  | **No.** | **No.** | **No.** | **No.** | **%** |
| Waste Management | 19 | 19 | 19 |  | % |
| Housing | 1 | 1 | 1 |  | % |
| Planning | 2 | 2 | 2 |  | % |
| Local Economic Development | 2 | 2 | 2 |  | % |
| Community & Social Services | 3 | 3 | 3 |  | % |
| Security and Safety | 6 | 6 | 6 |  | % |
| Sport and Recreation | 1 | 1 | 1 |  | % |
| **Totals** | **34** | **34** | **34** | **0** | **–** |
| *Headings follow the order of services as set out in chapter 3. Service totals should equate to those included in the Chapter 3 employee schedules. Employee and Approved Posts numbers are as of 30 June, as per the approved organogram.* | | | | | *T 4.1.1* |

|  |  |  |  |
| --- | --- | --- | --- |
| **Vacancy Rate: Year 0** |  |  |  |
| **Designations** | **\*Total Approved Posts** | **\*Vacancies (Total time that vacancies exist using fulltime equivalents)** | **\*Vacancies**  **(as a proportion of total posts in each category)** |
|  | **No.** | **No.** | **%** |
| Municipal Manager | 1 | 0 | 0,00 |
| CFO | 1 | 0 | 0,00 |
| Other S57 Managers (excluding Finance Posts) | 4 | 0 | 0,00 |
| Other S57 Managers (Finance posts) | 1 | 0 | 0,00 |
| Senior management: Levels 13-15 (excluding Finance Posts) | 11 | 0 | 0,00 |
| Senior management: Levels 13-15 (Finance posts) | 4 | 0 | 0,00 |
| Highly skilled supervision: levels 9-12 (excluding Finance posts) | 8 | 0 | 0,00 |
| Highly skilled supervision: levels 9-12 (Finance posts) | 5 | 0 | 0,00 |
| **Total** | 35 | **0** | 0,00 |
| *Note: \*For posts which are established and funded in the approved budget or adjustments budget (where changes in employee provision have been made). Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g., ‘senior management’) then dividing that total by 250 to give the number of posts equivalent to the accumulated days.* | | | *T 4.1.2* |

COMMENT ON VACANCIES AND TURNOVER:

Several new appointments were made during the past year. Human Resources reports on vacant posts and the filling thereof monthly at the Corporate Portfolio Committee. Council approved amendments in Recruitment and selection policy.

The Employment Equity Plan (EEP) must be taken into consideration when posts are filled and race classification, gender and disability status must be in line with the goals set for the specific occupational level in which the vacant post falls.

The Employment Equity Report was submitted to Department of Labour by 12 December 2024. The formulation process was done in full consultation with all the stakeholders, including union. Annual “Employment Equity Reports” are submitted to the Department Labour in January of each year to report on progress.

The main challenges regarding the equity profile of the Municipality include:

• The low application rate of candidates meeting the equity profile

• The representation of designated groups

*T 4.1.3*

## COMPONENT B: MANAGING THE MUNICIPAL WORKFORCE

INTRODUCTION TO MUNICIPAL WORKFORCE MANAGEMENT

*Note: MSA 2000 S67 requires municipalities to develop and adopt appropriate systems and procedures to ensure fair; efficient; effective; and transparent personnel administration in accordance with the Employment Equity Act 1998.*

MSA 2000 Section 67 requires municipalities to develop and adopt appropriate systems and procedures to ensure fair; efficient; effective; and transparent personnel administration in accordance with the Employment Equity Act 1998. The policies have been developed and some reviewed and adopted by the Council.

*T 4.2.0*

### 4.2 POLICIES

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **HR Policies and Plans** | | | | |
|  | **Name of Policy** | **Completed** | **Reviewed** | **Date adopted by council or comment on failure to adopt** |
|  |  | **%** | **%** |
| 1 | Recruitment and Selection | 100% | 100% | 27-Jun-2024 |
| 2 | Time and Attendance | 100% | 100% | 27-Jun-2024 |
| 3 | Leave Management | 100% | 100% | 27-Jun-2024 |
| 4 | Skills Development | 100% | 100% | 27 June 2024 |
| 5 | Records Management | 100% | 100% | 27 June 2024 |
| 6 | Protection Services for Municipal Councillors and Officials | 100% | 100% | 27 June 2024 |
| 7 | IPMS | 100% | 100% | 27 June 2024 |
| 8 | Firearm | 100% | 100% | 27June 2024 |
| 9 | Dress Code | 100% | 100% | 27 June 2024 |
| 10 | Grievance Procedures |  |  | collective agreement 2023 |
| 11 | HIV/Aids | 100% | 100% | 30-Jun-2020 |
| 12 | Human Resource and Development | 100% | 100% | 30-Jun-2020 |
| 13 | Information Technology | 100% | 100% | 30-Jun-2021 |
| 14 | Job Evaluation |  |  |  |
| 15 | Leave | 100% | 100% | 30-Jun-2020 |
| 16 | Occupational Health and Safety | 100% | 100% | 30-Jun-2020 |
| 17 | Official Housing |  |  |  |
| 18 | Official Journeys |  |  |  |
| 19 | Official transport to attend Funerals | 100% | 100% | 30-Jun-2021 |
| 20 | Official Working Hours and Overtime |  |  | 30-Jun-2022 |
| 21 | Organisational Rights |  |  |  |
| 22 | Payroll Deductions |  |  |  |
| 23 | Performance Management and Development | 100% | 100% | 30-Jun-2023 |
| 24 | Remuneration Scales and Allowances |  |  | collective agreement |
| 25 | Resettlement |  |  |  |
| 26 | Sexual Harassment | 100% | 100% | 30 Jun- 2021 |
| 27 | Smoking |  |  |  |
| 28 | Special Skills |  |  |  |
| 29 | Work Organisation |  |  |  |
| 30 | Uniforms and Protective Clothing | 100% | 100% | 30-May 2024 |
| 31 | Other: |  |  |  |
| *Use name of local policies if different from above and at any other HR policies not listed.* | | | | *T 4.2.1* |

COMMENT ON WORKFORCE POLICY DEVELOPMENT:

The policies have been developed and some reviewed and adopted by the Council *as of 27 June 2024.*

*T 4.2.2*

### 4.3 INJURIES, SICKNESS AND SUSPENSIONS

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Number of days and Cost of Sick Leave (excluding injuries on duty)** | | |  |  |  |  |
| **Salary band** | **Total sick leave** | **Proportion of sick leave without medical certification** | **Employees using sick leave** | **Total employees in post\*** | **\*Average sick leave per Employees** | **Estimated cost** |
|  | **Days** | **%** | **No.** | **No.** | **Days** | **R' 000** |
| Lower skilled (Levels 1-2) |  |  |  |  |  |  |
| Skilled (Levels 3-5) | 91 | 16% | 28 | 44 | 2,07 |  |
| Highly skilled production (levels 6-8) | 66 | 10% | 21 | 36 | 1,83 |  |
| Highly skilled supervision (levels 9-12) | 59 |  | 23 | 32 | 1,84 |  |
| Senior management (Levels 13-15) | 11 | 0% | 5 | 7 | 1,57 |  |
| MM and S57 | 5 | 0% | 4 | 5 | 1,25 |  |
| Total | **232** | **8,02%%** | **81** | **124** | 1,87 | **0** |
| *\* - Number of employees in post at the beginning of the year* | | |  |  |  |  |
| *\*Average is calculated by taking sick leave in column 2 divided by total employees in column 5* | | | | |  | *T 4.3.2* |

COMMENT ON INJURY AND SICK LEAVE:

There were no employees’ injuries on duty and sick leave related to injury on duty. There were no suspensions for the period under review.

*T 4.3.4*

COMMENT ON SUSPENSIONS AND CASES OF FINANCIAL MISCONDUCT:

*There were no cases of financial misconduct and suspensions*.

*T 4.3*

### 4.4 PERFORMANCE REWARDS

COMMENT ON PERFORMANCE REWARDS:

There were no rewards for the period under review however the municipality is in the process of introducing rewards management to encourage staff performance.

*T 4.4.1.*

## COMPONENT C: CAPACITATING THE MUNICIPAL WORKFORCE

INTRODUCTION TO WORKFORCE CAPACITY DEVELOPMENT

*Note: MSA 2000 S68 (1) 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.*

The council adopted the Human Resources Strategy in 2018, which is a five-year strategy, used as part of the municipal tool for achieving efficient and effective service delivery. The Human Resource strategy will be taken to council for review in June 2022 as there is new Council and will be implemented from July 2022- June 2027.

This Strategy Addresses the Following:

•Planning the municipal workforce in totality.

•Developing a capable and skilled workforce that is striving towards service excellence.

•Setting guidelines to strengthen leadership and develop human capital by attracting, retaining scarce, valued and critically required skills for the municipality.

### 4.5 SKILLS DEVELOPMENT AND TRAINING

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Skills Matrix** | | | | | | | | | | | | | | |
| **Management level** | **Gender** | **Employees in post as at 30 June Year 0** | **Number of skilled employees required and actual as at 30 June Year 0** | | | | | | | | | | | |
| **Learnerships** | | | **Skills programmes & other short courses** | | | **Other forms of training** | | | **Total** | | |
| **No.** | **Actual: End of Year -1** | **Actual: End of Year 0** | **Year 0 Target** | **Actual: End of Year -1** | **Actual: End of Year 0** | **Year 0 Target** | **Actual: End of Year -1** | **Actual: End of Year 0** | **Year 0 Target** | **Actual: End of Year -1** | **Actual: End of Year 0** | **Year 0 Target** |
| MM and s57 | Female | 2 |  |  |  |  |  |  |  |  |  |  |  |  |
| Male | 3 |  |  |  |  |  |  |  |  |  |  |  |  |
| Councillors, senior officials and managers | Female | 4 |  |  |  |  |  |  |  |  |  |  |  |  |
| Male | 10 |  |  |  |  |  |  |  |  |  |  |  |  |
| Technicians and associate professionals\* | Female | 1 |  |  |  |  |  |  |  |  |  |  |  |  |
| Male | 1 |  |  |  |  |  |  |  |  |  |  |  |  |
| Professionals | Female | 8 |  |  |  |  |  |  |  |  |  |  |  |  |
| Male | 6 |  |  |  |  |  |  |  |  |  |  |  |  |
| Sub total | Female | 12 | 0 |  |  |  |  |  |  |  |  |  |  |  |
| Male | 20 |  |  |  |  |  |  |  |  |  |  |  |  |
| Total |  | 67 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| *\*Registered with professional Associate Body e.g., CA (SA)*  *T 4.5.1* | | | | | | | | | | | | | |  |

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Financial Competency Development: Progress Report\*** | | | | | | |
| Description | A.  Total number of officials employed by municipality (Regulation 14(4)(a) and (c)) | B.  Total number of officials employed by municipal entities (Regulation 14(4)(a) and (c) | Consolidated: Total of A and B | Consolidated: Competency assessments completed for A and B (Regulation 14(4)(b) and (d)) | Consolidated: Total number of officials whose performance agreements comply with Regulation 16 (Regulation 14(4)(f)) | Consolidated: Total number of officials that meet prescribed competency levels (Regulation 14(4)(e)) |
| **Financial Officials** | 1 | 0 | 1 | 0 | 0 | 0 |
| *Accounting officer* | 1 | 0 | 1 | 0 | 0 | 0 |
| *Chief financial officer* | 1 | 0 | 1 | 0 | 0 | 0 |
| *Senior managers* | 1 | 0 | 1 | 0 | 0 | 0 |
| *Any other financial officials* |  |  |  |  |  |  |
| **Supply Chain Management Officials** | 1 | 0 | 1 | 0 | 0 | 0 |
| *Heads of supply chain management units* | 1 | 0 | 1 | 1 | 1 | 1 |
| *Supply chain management senior managers* | 0 | 0 | 0 | 1 | 1 | 1 |
| **TOTAL** | **6** | **0** | **6** | **2** | **2** | **2** |
| *\* This is a statutory report under the National Treasury: Local Government: MFMA Competency Regulations (June 2007)* | | | | | | *T 4.5.2* |

COMMENT ON SKILLS DEVELOPMENT AND RELATED EXPENDITURE AND ON THE FINANCIAL COMPETENCY REGULATIONS:

The Municipality has an obligation in terms of the Skills Development Act, 97 of 1998, to develop its employees by providing training and development opportunities for them. A workplace skills plan (WSP) which outlines the needs with regards to training and skills development was submitted before the due date of 30 April.

*T 4.5.3*

## COMPONENT D: MANAGING THE WORKFORCE EXPENDITURE

INTRODUCTION TO WORKFORCE EXPENDITURE

The biggest challenges facing this function remained the same for the past number of years and include:

• There is a limited internal budget available for training and development**.**

*T 4.5.4*

### 4.6 EMPLOYEE EXPENDITURE

COMMENT ON WORKFORCE EXPENDITURE:

The salaries broken down into three categories that are employee related costs, councillors, and senior managers.

*T 4.6.1.1*

COMMENT ON UPGRADED POSTS AND THOSE THAT ARE AT VARIANCE WITH NORMAL PRACTICE:

There were no posts upgraded.

*T 4.6.5*

DISCLOSURES OF FINANCIAL INTERESTS

Financial disclosures were made by officials and councillors concerning their financial interests as required by PM Regulations 805 of 2006.

*T 4.6.6*

# CHAPTER 5 – FINANCIAL PERFORMANCE

INTRODUCTION

Chapter 5 contains information regarding financial performance and highlights specific accomplishments. The chapter comprises of three components:

* Component A: Statement of Financial Performance
* Component B: Spending Against Capital Budget
* Component C: Other Financial Matters

Mkhambathini Municipality has a clear workable financial plan in line with the Three-year funding model. Furthermore, the municipality is viable and is striving to ensure that it remains viable, this is assisted by Senior Managers being able to analyse financial reports and identify risks related to municipal spending patterns. The municipality always strive to be realistic in budgeting given its limited revenue streams. The Municipal ratio currently is 7:1, this translates that the municipal current assets are 7 times higher than municipal current liabilities which is above the norm of 3:1. This indicative, that should the municipal liabilities be due, the municipality will be in the position to pay them. The indigent register has currently been reviewed by the municipality on an annual basis.

It is also the desired goal that our municipality is financially viable and sustainable. It is therefore important that the municipality manage its financial affairs and resources in a way that will ensure financial sustain- ability. To ensure that the municipality achieves this goal, it is necessary the aforementioned challenges bead dressed.

*T 5.0.1*

## COMPONENT A: STATEMENTS OF FINANCIAL PERFORMANCE

INTRODUCTION TO FINANCIAL STATEMENTS

*Note: Statements of Revenue Collection Performance by vote and by source are included at* ***Appendix K****.*

Total operating revenue has decreased by 9 per cent or R 9.2 million for the 2021/22 financial year when compared to the 2020/21 Adjustments Budget. For the two outer years, operational revenue will increase in 2022/23 financial year by R 4.9 million and increase in 2023/24 financial year by R 7.5 million when compared to the 2020/21 financial year.

Debt impairment was budgeted for using gross debtors balance since there municipality debtors’ balance is increasing drastically over the years and the municipality only collects 85% as per the collection rate. This alone is an indication for impairments.

The municipality opted for this rate because there are ongoing engagements with government departments to settle their debts, the engagements have been fruitful. The municipality will be implementing a recently developed debt collection strategy and anticipate a positive spinoff in the collection of outstanding debtors.

### 5.1 STATEMENTS OF FINANCIAL PERFORMANCE

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **KZN226 Mkhambathini - Table C1 Monthly Budget Statement Summary - M12 June** |  |  |  |  |  |  |  |  |  |
| **Description** | **2022/23** | **Budget Year 2023/24** | | | | | | | |
| **Audited Outcome** | **Original Budget** | **Adjusted Budget** | **Monthly actual** | **YearTD actual** | **YearTD budget** | **YTD variance** | **YTD variance** | **Full Year Forecast** |
| **R thousands** |  |  |  |  |  |  |  | **%** |  |
| **Financial Performance** |  |  |  |  |  |  |  |  |  |
| Property rates | 23,937 | 24,850 | 24,850 | 2,093 | 25,117 | 24,850 | 267 | 1% | 24,850 |
| Service charges | 596 | 653 | 653 | 53 | 630 | 653 | (23) | -4% | 653 |
| Investment revenue | 3,703 | – | – | – | – | – | – |  | – |
| Transfers and subsidies - Operational | 3,703 | 3,100 | 3,100 | 2,585 | 4,665 | 3,100 | 1,565 | 50% | 3,100 |
| Other own revenue | 106,603 | 98,318 | 214,870 | 7,360 | 207,439 | 214,870 | (7,431) | -3% | – |
| **Total Revenue (excluding capital transfers and contributions)** | **138,541** | **126,922** | **243,473** | **12,090** | **237,851** | **243,473** | **(5,623)** | **-2%** | **126,922** |
| Employee costs | 49,034 | 49,690 | 49,690 | 5,164 | 53,639 | 49,690 | 3,948 |  | 49,690 |
| Remuneration of Councillors | 6,288 | 7,329 | 7,329 | 540 | 6,820 | 7,329 | (510) |  | 7,329 |
| Depreciation and amortisation | 12,968 | 12,643 | 12,643 | 792 | 11,124 | 12,643 | (1,518) |  | 12,643 |
| Interest | 39 | – | – | – | – | – | – |  | – |
| Inventory consumed and bulk purchases | 3,223 | 4,627 | 5,227 | 151 | 5,621 | 5,227 | 394 |  | 4,627 |
| Transfers and subsidies | – | – | – | – | – | – | – |  | – |
| Other expenditure | 91,967 | 66,319 | 176,717 | 11,456 | 162,880 | 176,717 | (13,836) | -8% | 66,319 |
| **Total Expenditure** | **163,520** | **140,608** | **251,606** | **18,102** | **240,083** | **251,606** | **(11,523)** | **-5%** | **140,608** |
| **Surplus/(Deficit)** | **(24,979)** | **(13,686)** | **(8,133)** | **(6,012)** | **(2,233)** | **(8,133)** | **5,900** | **-73%** | **(13,686)** |
| Transfers and subsidies - capital (monetary allocations) | 59,968 | 18,392 | 17,162 | 3 | 17,162 | 17,162 | – |  | 18,392 |
| Transfers and subsidies - capital (in-kind) | 3,800 | – | – | – | – | – | – |  | – |
| **Surplus/(Deficit) after capital transfers & contributions** | **38,789** | **4,706** | **9,029** | **(6,010)** | **14,929** | **9,029** | **5,900** | **65%** | **4,706** |
| Share of surplus/ (deficit) of associate | – | – | – | – | – | – | – |  | – |
| **Surplus/ (Deficit) for the year** | **38,789** | **4,706** | **9,029** | **(6,010)** | **14,929** | **9,029** | **5,900** | **65%** | **4,706** |
|  |  |  |  |  |  |  |  |  |  |
| **Capital expenditure & funds sources** |  |  |  |  |  |  |  |  |  |
| **Capital expenditure** | **30,492** | **20,454** | **20,931** | **1,092** | **18,390** | **20,931** | **(2,541)** | **-12%** | **20,454** |
| Capital transfers recognised | 18,668 | 18,392 | 17,162 | 1,716 | 16,975 | 17,162 | (187) | -1% | 18,392 |
|  |  |  |  |  |  |  |  |  |  |
| Borrowing | – | – | – | – | – | – | – |  | – |
| Internally generated funds | **23,797** | **4,530** | **9,673** | **1** | **6,822** | **9,673** | **(2,852)** | **-29%** | **4,530** |
| **Total sources of capital funds** | **42,465** | **22,922** | **26,835** | **1,717** | **23,796** | **26,835** | **(3,039)** | **-11%** | **22,922** |
|  |  |  |  |  |  |  |  |  |  |
| **Financial position** |  |  |  |  |  |  |  |  |  |
| Total current assets | 56,328 | 52,200 | 105,875 |  | 26,342 |  |  |  | 52,200 |
| Total non current assets | 257,458 | 210,346 | 271,646 |  | 270,130 |  |  |  | 210,346 |
| Total current liabilities | 25,323 | (12,160) | (44,399) |  | 20,115 |  |  |  | (12,160) |
| Total non current liabilities | 3,995 | 7,019 | (6,823) |  | 3,995 |  |  |  | 7,019 |
| Community wealth/Equity | **284,467** | **267,687** | **330,915** |  | **299,396** |  |  |  | **267,687** |
|  |  |  |  |  |  |  |  |  |  |
| **Cash flows** |  |  |  |  |  |  |  |  |  |
| Net cash from (used) operating | 49,636 | (14,749) | 66,415 | 7,637 | 61,019 | 81,073 | 20,054 | 25% | (14,749) |
| Net cash from (used) investing | 338,653 | (26,360) | (26,847) | (1,717) | 23,796 | (26,847) | (50,643) | 189% | (26,360) |
| Net cash from (used) financing | – | – | – | – | – | – | – |  | – |
| **Cash/cash equivalents at the month/year end** | **399,296** | **(94,351)** | **(4,495)** | **–** | **80,694** | **10,163** | **(70,531)** | **-694%** | **(4,121)** |
|  |  |  |  |  |  |  |  |  |  |
| **Debtors & creditors analysis** | **0-30 Days** | **31-60 Days** | **61-90 Days** | **91-120 Days** | **121-150 Dys** | **151-180 Dys** | **181 Dys-1 Yr** | **Over 1Yr** | **Total** |
| **Debtors Age Analysis** |  |  |  |  |  |  |  |  |  |
| Total By Income Source | 2,463 | (27) | 564 | 526 | 465 | 454 | 2,377 | 31,699 | 38,522 |
| **Creditors Age Analysis** |  |  |  |  |  |  |  |  |  |
| Total Creditors | 268 | (92) | (0) | (6) | (83) | 89 | – | – | 176 |
|  |  |  |  |  |  |  |  |  |  |

|  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  |  |  |  |  |  | *T 5.1.2* |  |

|  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **KZN226 Mkhambathini - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M12 June** | | | | | | | | | | |
| **Description** | **Ref** | **2022/23** | **Budget Year 2023/24** |  |  |  |  |  |  |  |
| **Audited Outcome** | **Original Budget** | **Adjusted Budget** | **Monthly actual** | **YearTD actual** | **YearTD budget** | **YTD variance** | **YTD variance** | **Full Year Forecast** |
| **R thousands** |  |  |  |  |  |  |  |  | **%** |  |
| **EXPENDITURE** |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |
| **Operating expenditure of Transfers and Grants** |  |  |  |  |  |  |  |  |  |  |
| **National Government:** |  | **4,179** | **3,000** | **3,000** | **32,667** | **35,667** | **34,511** | **1,156** | **3.3%** | **3,000** |
| Expanded Public Works Programme Integrated Grant | \_ | 1,329 | – | – | 1,456 | 1,456 | 1,456 | – |  | – |
| Integrated National Electrification Programme Grant | \_ | – | – | – | 31,211 | 31,211 | 30,055 | 1,156 | 3.8% | – |
| Local Government Financial Management Grant | \_ | 2,850 | 3,000 | 3,000 | – | 3,000 | 3,000 | – |  | 3,000 |
| Municipal Infrastructure Grant | \_ |  |  |  |  |  |  | – |  |  |
| Municipal Disaster Recovery Grant |  |  |  |  |  |  |  | – |  |  |
| 0 |  |  |  |  |  |  |  | – |  |  |
| Other transfers and grants [insert description] |  |  |  |  |  |  |  | – |  |  |
| **Provincial Government:** |  | **–** | **–** | **–** | **–** | **–** | **–** | **–** |  | **–** |
| 0 |  |  |  |  |  |  |  | – |  |  |
| 0 |  |  |  |  |  |  |  | – |  |  |
| 0 |  |  |  |  |  |  |  | – |  |  |
| 0 |  |  |  |  |  |  |  | – |  |  |
| Other transfers and grants [insert description] |  |  |  |  |  |  |  | – |  |  |
| **District Municipality:** |  | **–** | **–** | **–** | **–** | **–** | **–** | – |  | **–** |
|  |  |  |  |  |  |  |  | – |  |  |
| *[insert description]* |  |  |  |  |  |  |  | – |  |  |
| **Other grant providers:** |  | **–** | **–** | **22,855** | **(25,302)** | **–** | **–** | – |  | **–** |
| **Other Transfers Public Corporations** | \_ | **–** | **–** | **22,855** | **(25,302)** | **–** | **–** | – |  | **–** |
| *[insert description]* |  |  |  |  |  |  |  | – |  |  |
| **Total operating expenditure of Transfers and Grants:** |  | **4,179** | **3,000** | **25,855** | **7,365** | **35,667** | **34,511** | **1,156** | **3.3%** | **3,000** |
|  |  |  |  |  |  |  |  |  |  |  |
| **Capital expenditure of Transfers and Grants** |  |  |  |  |  |  |  |  |  |  |
| **National Government:** |  | 31,755 | 42,403 | 18,618 | (1,453) | 17,162 | 17,162 | – |  | 42,403 |
| Integrated National Electrification Programme Grant | \_ | – | 24,011 | 1,456 | (1,456) | – | – | – |  | 24,011 |
| Municipal Infrastructure Grant | \_ | 31,755 | 18,392 | 17,162 | 3 | 17,162 | 17,162 | – |  | 18,392 |
|  | \_ |  |  |  |  |  |  | – |  |  |
| 0 |  |  |  |  |  |  |  | – |  |  |
| 0 |  |  |  |  |  |  |  | – |  |  |
| Other capital transfers [insert description] |  |  |  |  |  |  |  | – |  |  |
| **Provincial Government:** |  | **1,910** | **2,004** | **218,073** | **–** | **80,192** | **87,827** | (7,635) | -8.7% | **2,004** |
| **KwaZulu-Natal** | \_ | **1,910** | **2,004** | **218,073** | **–** | **80,192** | **87,827** | (7,635) | -8.7% | **2,004** |
| 0 |  |  |  |  |  |  |  | – |  |  |
| **District Municipality:** |  | **–** | **–** | **–** | **–** | **–** | **–** | – |  | **–** |
|  |  |  |  |  |  |  |  | – |  |  |
| *0* |  |  |  |  |  |  |  | – |  |  |
| **Other grant providers:** |  | **–** | **–** | **–** | **–** | **–** | **–** | – |  | **–** |
|  |  |  |  |  |  |  |  | – |  |  |
| *0* |  |  |  |  |  |  |  | – |  |  |
| **Total capital expenditure of Transfers and Grants** |  | **33,665** | **44,407** | **236,691** | **(1,453)** | **97,354** | **104,989** | **(7,635)** | **-7.3%** | **44,407** |
|  |  |  |  |  |  |  |  |  |  |  |
| **TOTAL EXPENDITURE OF TRANSFERS AND GRANTS** |  | **37,844** | **47,407** | **262,546** | **5,912** | **133,021** | **139,500** | **(6,479)** | **-4.6%** | **47,407** |

*T 5.1.3*

COMMENT ON FINANCIAL PERFORMANCE:

In line with best practices the framework for the revenue enhancement strategy, considering the unique requirements of Mkhambathini Municipality comprised a phased approach, with timeframe(s) for the implementation of the strategic interventions. The municipality have developed the revenue enhancement strategy which will be tabled to Council for approval in May 2022 to assist the municipality in implementing the strategies and trying to take advantage of the municipal location including being on the N3 corridor.

*T5.1.4*

### 5.2 GRANTS

COMMENT ON OPERATING TRANSFERS AND GRANTS:

*Note: For Municipal Infrastructure Grant (MIG) see T5.8.3. For other conditional transfers including Neighbourhood Development Partnership Grant (NDPG); Public Transport Infrastructure and Systems Grant (PITS) see* ***Appendix L****.*

The ratio assesses the extent of own source revenue to total operating revenue including agency revenue hence self-sufficiency. The ratio measuring own source of revenue will be increased over time as it reflects municipal efforts towards self-sufficiency. The lesser the revenue the more the municipality relies on the grants.

Own Source of Revenue to Total Operating Revenue (including agency revenue)

= Own Source of revenue (Total Revenue - Government Grants and Subsidies - Public Contribution and Donations) / Total Operating Revenue (including agency services) x 100

The total operating revenue consist of 69% of the grants which simple means that the municipality depends on grants for the smooth operations of the municipality without grants the municipality might face challenges of meeting its obligations.

*T 5.2.2*

COMMENT ON CONDITIONAL GRANTS AND GRANT RECEIVED FROM OTHER SOURCES:

The grant with the most allocation is the Equitable Share which has approximately R77,519,000 for 2022/2023 financial year. It is followed by a Municipal Infrastructure Grant with an allocation of R17,781,000 while the Department of Energy has allocated R15,000,000 for electrification programmes, Human Settlement Development Grant of R13,329,000, EPWP Grant of R1,671,00 and Library Provincialization Grant of R2,004,000

*T 5.2.4*

### 5.3 ASSET MANAGEMENT

INTRODUCTION TO ASSET MANAGEMENT

The Asset and Infrastructure Maintenance plan is attached as an annexure to the IDP. Aligned to the priority given to preserving the maintaining the Municipality’s current infrastructure, the 2022/2023 budget and MTREF provide for extensive growth in the area of asset maintenance, as informed by the asset renewal strategy and repairs and maintenance plan of the Municipality. In terms of the Municipal Budget and Reporting Regulation, operating repairs and maintenance is not considered a direct expenditure driver but an outcome of certain other expenditures, such as remuneration, purchase of materials and contracted services.

*T 5.3.1*

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **TREATMENT OF THE THREE LARGEST ASSETS ACQUIRED YEAR 0** | | | | | |
| **Asset 1** | | | | | |
| Name | | Banqobile Sport field (Ward 5) | | | |
| Description | | Banqobile Sport field (Ward 5) | | | |
| Asset Type | | Sport field | | | |
| Key Staff Involved | | Technical Services |  |  |  |
| Staff Responsibilities | | Technical Services |  |  |  |
| Asset Value | | Year -3 | Year -2 | Year -1 | Year 0 |
|  |  |  | R17137866.51 |
| Capital Implications | |  | | | |
| Future Purpose of Asset | |  | | | |
| Describe Key Issues | | Construction | | | |
| Policies in Place to Manage Asset | | Asset Management Policy | | | |
| **Asset 2** | | | | | |
| Name | | CAMPERDOWN TAX RANK Ward 3 | | | |
| Description | | CAMPERDOWN TAX RANK Ward 3 | | | |
| Asset Type | | Taxi Rank | | | |
| Key Staff Involved | | Technical Services |  |  |  |
| Staff Responsibilities | | Technical Services |  |  |  |
| Asset Value | | Year -3 | Year -2 | Year -1 | Year 0 |
|  |  |  | R9428080.32 |
| Capital Implications | | None | | | |
| Future Purpose of Asset | |  | | | |
| Describe Key Issues | | Construction | | | |
| Policies in Place to Manage Asset | | Asset Management Policy | | | |
| **Asset 3** | | | | | |
| Name | | MUZINGEZWI ACCESS ROAD (Ward 6) | | | |
| Description | | MUZINGEZWI ACCESS ROAD | | | |
| Asset Type | | Road | | | |
| Key Staff Involved | | Technical Services |  |  |  |
| Staff Responsibilities | | Technical Services |  |  |  |
| Asset Value | | Year -3 | Year -2 | Year -1 | Year 0 |
|  |  |  | R3474838.72 |
| Capital Implications | | None | | | |
| Future Purpose of Asset | |  | | | |
| Describe Key Issues | | Construction | | | |
| Policies in Place to Manage Asset | | Asset Management Policy | | | |
| **Asset 4** | | | | |
| Name | MKHIZE ACCESS ROAD (Ward 5) | | | |
| Description | MKHIZE ACCESS ROAD | | | |
| Asset Type | Road | | | |
| Key Staff Involved | Technical Services |  |  |  |
| Staff Responsibilities | Technical Services |  |  |  |
| Asset Value | Year -3 | Year -2 | Year -1 | Year 0 |
|  |  |  | R2370317.94 |
| Capital Implications | None | | | |
| Future Purpose of Asset |  | | | |
| Describe Key Issues | Construction | | | |
| Policies in Place to Manage Asset | Asset Management Policy | | | |
| **Asset 5** | | | | |
| Name | CHIBINI ACCESS ROAD (Ward 1) | | | |
| Description | CHIBINI ACCESS ROAD (Ward 1) | | | |
| Asset Type | Road | | | |
| Key Staff Involved | Technical Services |  |  |  |
| Staff Responsibilities | Technical Services |  |  |  |
| Asset Value | Year -3 | Year -2 | Year -1 | Year 0 |
|  |  |  | R 5324278.77 |
| Capital Implications | None | | | |
| Future Purpose of Asset |  | | | |
| Describe Key Issues | Construction | | | |
| Policies in Place to Manage Asset | Asset Management Policy | | | |
| **Asset 6** | | | | |
| Name | JILAFOHLA GRAVEL ROAD Ward 4 | | | |
| Description | JILAFOHLA GRAVEL ROAD | | | |
| Asset Type | Road | | | |
| Key Staff Involved | Technical Services |  |  |  |
| Staff Responsibilities | Technical Services |  |  |  |
| Asset Value | Year -3 | Year -2 | Year -1 | Year 0 |
|  |  |  | R 12994036.4 |
| Capital Implications | None | | | |
| Future Purpose of Asset |  | | | |
| Describe Key Issues | Construction | | | |
| Policies in Place to Manage Asset | Asset Management Policy | | | |

COMMENT ON ASSET MANAGEMENT:

No significant disposals or acquisitions of land or buildings occurred during the period, although work is in progress to the tune of R12 202 million

Accumulated depreciation and impairment totalled R10 761 million during the period, representing just over 10%, with community assets contributing approximately one-third of that amount to the total***.***

*T 5.3.3*

|  |  |  |  |
| --- | --- | --- | --- |
| **Repair and Maintenance Expenditure: Year 0** |  |  |  |
| **R' 000** |  |  |  |
|  | **Original Budget** | **Adjustment Budget** | **Actual** |
| Repairs and Maintenance Expenditure |  |  | 2 333 8224 |

COMMENT ON REPAIR AND MAINTENANCE EXPENDITURE:

Aligned to the priority been given to preserving and maintaining the municipality’s current infrastructure, the 2023/2024 budget and MTREF provide for extensive growth in asset maintenance, as informed by the asset renewal strategy and repairs and maintenance plan of the municipality. In terms of the Municipal Budget and Reporting Regulations, operational repairs and maintenance is not considered a direct expenditure driver but an outcome of certain other expenditures, such as remuneration, purchases of materials and contracted services.

In order to meet the standard of achieving the 8% repairs and maintenance target of operating expenditure, the municipality is committed to increase this percentage progressively over the MTREF to reach this target.

*T 5.3.4.1*

### 5.4 FINANCIAL RATIOS BASED ON KEY PERFORMANCE INDICATORS

COMMENT ON FINANCIAL RATIOS:

In 2023/2024, as highlighted above, 91% off all assets of Mkhambathini Municipality are non-current, with all non-current assets falling in the property, plant and equipment category. 21% of total assets are current, and almost 90% of current assets consist of cash or cash equivalents.

*T 5.4.9*

## COMPONENT B: SPENDING AGAINST CAPITAL BUDGET

INTRODUCTION TO SPENDING AGAINST CAPITAL BUDGET

The Municipality has enough capacity to execute all its capital projects and is currently looking for other revenue streams that might fund additional capital project. The municipality have engaged Department of Co-operative Governance and Traditional Affairs, Department of transport and Department of Energy for acceleration of service delivery.

The Municipal budget is aligned to the revised IDP. All projects that have been budgeted for are project that were identified during the public participation process and are within the 6th KwaZulu Natal KPA.

Due to limited resources, the municipality ensured that projects and programs were screened to ensure that only projects that are aligned to the national and provincial priorities are considered for budgeting.

*T 5.5.0*

### 5.5 CAPITAL EXPENDITURE



*T 5.5.1*

### 5.6 SOURCES OF FINANCE

COMMENT ON SOURCES OF FUNDING:

The Municipal budget is aligned to the revised IDP. All projects that have been budgeted for are projects that were identified during the public participation process and are within the 6th KwaZulu Natal KPA. Due to limited resources, the municipality ensured that projects and programs were screened to ensure that only projects that are aligned to the national and provincial priorities are considered for budgeting.

*T 5.6.1.1*

### 5.7 CAPITAL SPENDING ON 5 LARGEST PROJECTS

COMMENT ON CAPITAL PROJECTS:

The Municipality has enough capacity to execute all its capital projects and is currently looking for other revenue streams that might fund additional capital project. The municipality have engaged Department of Co-operative Governance and Traditional Affairs, Department of transport and Department of Energy for acceleration of service delivery.

*T 5.7.1.1*

### 5.8 BASIC SERVICE AND INFRASTRUCTURE BACKLOGS – OVERVIEW

INTRODUCTION TO BASIC SERVICE AND INFRASTRUCTURE BACKLOGS

The Municipality is in continuous engagement with uMgungundlovu District Municipality, Department of Transport, Department of Co-operative Governance and Traditional Affairs and Department of Human Settlements and various other entities into finding ways of addressing our backlogs and challenges that we are facing in ensuring efficient and effective service delivery for all. The Municipality through its ward committee structures has conducted its own research in terms of Electricity Backlogs and the Electricity Master Plan has been developed by the municipality and the document has been communicated with ESKOM and Department of Energy with an aim to haste up the delivery of electricity provision***.***

*T 5.8.1*

COMMENT ON BACKLOGS:

Although the Mkhambathini Local Municipality has made significant progress in addressing service delivery backlogs and promoting development within its area of jurisdiction, there are still several key development challenges that face the municipal area and its people. These are discussed briefly and categorized according to the national key performance areas.

Mkhambathini Municipality is predominantly rural in character and most of the people reside within traditional authority areas, which are characterised by a high level of poverty. People in these areas cannot afford to build and maintain proper houses, due to high level of unemployment.

Although substantial progress has been made to deliver services such as electricity, water and telecommunication infrastructure the level/extent of need is such that provision of these services remains one of the key development challenges facing our local municipality. Many settlements are still without reliable sources of energy and depend on candles, paraffin and firewood for light and power.

*T 5.8.4*

## COMPONENT C: CASH FLOW MANAGEMENT AND INVESTMENTS

INTRODUCTION TO CASH FLOW MANAGEMENT AND INVESTMENTS

The municipality has improved its cash flows position by 5% and the entities working capital management has improved in 2023/2024. Cash flows from investing activities also increased by 23% due to the higher investment made during the previous years which was funded through surplus over the years which is evidence in the significant growth in the cash flows from financing activities***.***

### 5.9 CASH FLOW

COMMENT ON CASH FLOW OUTCOMES:

Project Implementation plans encouraged at the beginning of the year to serve as a tool to be used for the planning and monitoring of projects against cash flow projections are being utilized effectively. Interdepartmental co-ordination and co-operation are also encouraged at the planning stage to ensure alignment with planned targets.

*T 5.9.1*

### 5.10 BORROWING AND INVESTMENTS

INTRODUCTION TO BORROWING AND INVESTMENTS

The municipality is not intending to borrow or planning to borrow in the next five years.

*T 5.10.1*

COMMENT ON BORROWING AND INVESTMENTS:

The municipality is not intending to borrow or planning to borrow in the next five years.

*T 5.10.2*

### 5.11 PUBLIC PRIVATE PARTNERSHIPS

PUBLIC PRIVATE PARTNERSHIPS

The municipality has no private partnerships.

*T 5.11.1*

## COMPONENT D: OTHER FINANCIAL MATTERS

### 5.12 SUPPLY CHAIN MANAGEMENT

SUPPLY CHAIN MANAGEMENT

The Municipality has a Supply Chain Management Unit falls within the Finance Department. The unit is responsible for ensuring that the goods and services are procured in a manner which is transparent, competitive, equitable, cost effective and fair, through proper implementation of the SCM policy which is reviewed on a regular basis.

The unit responds to the authorized purchase requisitions for other departments within the municipality using the electronic accounting system called Pastel Evolution. The speedy response to the authorized purchase requisitions where possible is always ensured.

The municipality is striving to empower local businesses and cooperatives to improve our Local Economic Development. The suppliers are rotated in terms of the National Treasury regulations to ensure that everyone is getting equal chance however there are challenges since most of our local businesses are not well established and therefore cannot supply or provide certain goods or services. The municipality has developed a schedule of procurement plan for all 2023/2024 projects to ensure that projects are efficiently and effectively implemented.

The implementation of new regulations PPPFA has enabled the municipality to come up with its own specific goals and objectives. When the specific goals and objectives were done people living with disabilities were also included and this in the SCM policy as well. This category is given 2 points for all companies who are 100% owned by black Africans who are living with disabilities.

The municipality has in place tender committees to ensure compliance and sound controls over the handling of procurement matters above R200 000. The bid committees are in place and have been reviewed in the 2023/2024 financial year in order to improve efficiencies within the system and will continue to be reviewed annually. The Supply Chain Management policy is reviewed annually as all other municipal policies.

*T 5.12.1*

### 5.13 GRAP COMPLIANCE

GRAP COMPLIANCE

GRAP is the acronym for **G**enerally **R**ecognized **A**ccounting **P**ractice, and it provides the rules by which municipalities are required to maintain their financial accounts. Successful GRAP compliance will ensure that municipal accounts are comparable and more informative for the municipality. It will also ensure that the municipality is more accountable to its citizens and other stakeholders. Information on GRAP compliance is needed to enable National Treasury to assess the pace of progress and consider the implications.

The annual financial statements for the financial year 2023/2024 was compiled in terms of Generally Recognized Accounting Practice (GRAP) and was submitted to Auditor-General on the 30 August 2023.

*T 5.1*

# CHAPTER 6 – AUDITOR GENERAL AUDIT FINDINGS

INTRODUCTION

Note: The Constitution S188 (1) (b) states that the functions of the Auditor-General includes the auditing and reporting on the accounts, financial statements, and financial management of all municipalities. MSA section 45 states that the results of performance measurement… must be audited annually by the Auditor-General.

Mkhambathini Municipality has developed an audit action plan based on the key findings raised and recommendations by the Auditor General. The audit improvement plan will be a standing item on the Audit and Performance Audit Committee and MPAC.

Furthermore, the municipality is in a process to finalise the review of compliance registers and activity flow processes. Each Manager will be responsible for compliance relating to his/her function. The municipality have appointed private investigator to investigate the UIFW Expenditure in line with the Audit action plan.

Refer to the Annual Financial Statements set out in Volume II and the timescale for the audit of these accounts and the audit of performance and the production of reports on these matters by the Auditor General as set out in this Chapter.

**Refer to Annexure D**

*T 6.0.1*

## COMPONENT A: AUDITOR-GENERAL OPINION OF FINANCIAL STATEMENTS Year -1

### 6.1 AUDITOR GENERAL REPORTS Year -1 (Previous year)

|  |  |
| --- | --- |
| **Auditor-General Report on Financial Performance: Year -1** | |
| **Audit Report Status\*:** | **Unqualified** |
| *Note: \*The report status is supplied by the Auditor General and ranges from unqualified (at best); to unqualified with other matters specified; qualified; adverse; and disclaimed (at worse)* | |
|  | *T 6.1.1* |

|  |  |
| --- | --- |
| **Auditor-General Report on Service Delivery Performance: Year -1** | |
| **Audit Report Status:** | **Unqualified** |
| Note: \*The report status is supplied by the Auditor General and ranges from unqualified (at best); to unqualified with other matters specified; qualified; adverse; and disclaimed (at worse)  *T 6.1.2* | |

## COMPONENT B: AUDITOR-GENERAL OPINION YEAR 2023/2024

### 6.2 AUDITOR GENERAL REPORT YEAR 2023/2024

|  |  |
| --- | --- |
| **Auditor-General Report on Financial Performance Year 0\*** | |
| **Status of audit report:** | **Unqualified** |
| *Note:\* The report's status is supplied by the Auditor General and ranges from unqualified (at best); to unqualified with other matters specified; qualified; adverse; and disclaimed (at worse). This table will be completed prior to the receipt of the Auditor- General Report on Financial Performance Year 0.* | |
|  | T 6.2.1 |

AUDITOR GENERAL REPORT ON THE FINANCIAL STATEMENTS: YEAR 2023/2024

Refer to Attach report **Annexure D** *T 6.2.2*

COMMENTS ON AUDITOR-GENERAL’S OPINION YEAR 2023/2024:

The audit action plan has been developed, submitted to the auditor general/ Audit Committee, Council and MPAC (the oversight structure to the council. Each item which led to qualified opinion progress of the indicator is monitored monthly. An audit action plan has been developed and is attached to this IDP. The audit committee meets to monitor progress with the implementation of the audit improvement plan and provides progress on resolving issues.

Over the years, the municipality has received a positive outcome from the audits that are undertaken by the Office of the Auditor-General per annum. This is evidenced from the unqualified audit opinions that were received for five consecutive years. *T 6.2.3*

COMMENTS ON MFMA SECTION 71 RESPONSIBILITIES:

Section 71 of the MFMA requires municipalities to return a series of financial performance data to the National Treasury at specified intervals throughout the year. The Chief Financial Officer states that these data sets have been returned according to the reporting requirements.

Signed (Chief Financial Officer):

Text, letter

Description automatically generated

T. Gambu.

Dated: 1/12/2024

*T 6.2.5*

# GLOSSARY

|  |  |
| --- | --- |
| **Accessibility indicators** | Explore whether the intended beneficiaries are able to access services or outputs. |
| **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"*. |
| **Adequacy indicators** | The quantity of input or output relative to the need or demand. |
| **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. |
| **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. |
| **Cost indicators** | The overall cost or expenditure of producing a specified quantity of outputs. |
| **Distribution indicators** | The distribution of capacity to deliver services. |
| **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. |
| **Impact** | The results of achieving specific outcomes, such as reducing poverty and creating jobs. |
| **Inputs** | All the resources that contribute to the production and delivery of outputs. Inputs are "what we use to do the work". They include finances, personnel, equipment and buildings. |
| **Integrated Development Plan (IDP)** | Set out municipal goals and development plans. |
| **National Key performance areas** | * Service delivery & infrastructure * Economic development * Municipal transformation and institutional development * Financial viability and management * Good governance and community participation |
| **Outcomes** | The medium-term results for specific beneficiaries that are the consequence of achieving specific outputs. Outcomes should relate clearly to an institution's strategic goals and objectives set out in its plans. Outcomes are "what we wish to achieve". |
| **Outputs** | The final products, or goods and services produced for delivery. Outputs may be defined as "what we produce or deliver". An output is a concrete achievement (i.e. a product such as a passport, an action such as a presentation or immunization, or a service such as processing an application) that contributes to the achievement of a Key Result Area. |
| **Performance Indicator** | Indicators should be specified to measure performance in relation to input, activities, outputs, outcomes and impacts. An indicator is a type of information used to gauge the extent to  which an output has been achieved (policy developed, presentation delivered, service rendered) |
| **Performance Information** | Generic term for non-financial information about municipal services and activities. Can also be used interchangeably with performance measure. |
| **Performance Standards:** | The minimum acceptable level of performance or the level of performance that is generally accepted. Standards are informed by legislative requirements and service-level agreements. Performance standards are mutually agreed criteria to describe how well work must be done in terms of quantity and/or quality and timeliness, to clarify the outputs and related activities of a job by describing what the required result should be. In this EPMDS performance standards are divided into indicators and the time factor. |
| **Performance Targets:** | The level of performance that municipalities and its employees strive to achieve. Performance Targets relate to current baselines and express a specific level of performance that a municipality aims to achieve within a given time. |
| **Service Delivery Budget Implementation Plan** | Detailed plan approved by the mayor for implementing the municipality’s delivery of services; including projections of the revenue collected and operational and capital expenditure by vote for each month. Service delivery targets and performance indicators must also be included. |
| **Vote:** | One of the main segments into which a budget of a municipality is divided for appropriation of money for the different departments or functional areas of the municipality. The Vote specifies the total amount that is appropriated for the purpose of a specific department or functional area.  Section 1 of the MFMA defines a “vote” as:  *a) one of the main segments into which a budget of a municipality is divided for the appropriation of money for the different departments or functional areas of the municipality; and*  *b) which specifies the total amount that is appropriated for the purposes of the department or functional area concerned* |

## APPENDIX A – COUNCILLORS; COMMITTEE ALLOCATION AND COUNCIL ATTENDANCE

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Councillors, Committees Allocated and Council Attendance** | | | | | | |
| **Council Members** | **Full Time / Part Time** | **Committees Allocated** | **\*Ward and/ or Party Represented** | **Percentage Council Meetings Attendance** | | **Percentage Apologies for non-attendance** |
|  |
| **FT/PT** | % | | % |
| Cllr NW Ntombela (Mayor) -Chairperson | Full Time | Finance Committee, Community Services Committee, Housing Think Tank | ANC | 100% | | % |
| Cllr NP Maphanga (Deputy Mayor) | Full Time | Housing Think Tank,  LLF | ANC | 99% | | % |
| Cllr TA Gwala (Speaker) | Full Time | Housing Think Tank | ANC | 100% | | % |
| Cllr MN Maphumulo | Part Time | MPAC, Housing Think Tank,  Community Services | ANC | 99% | | % |
| Cllr S Ngidi | Part Time | LLF, Infrastructure, Corporate services | ANC | 100% | | % |
| Cllr M Cele | Part Time | MPAC, Corporate Services , LLF | ANC | 100% | | % |
| Cllr R Mofokeng | Part Time | EXCO | IFP | 100% | | % |
| Cllr N.E Ndlovu | Part Time | MPAC, Corporate Services, Community Services, Housing Think Tank | ANC | 100% | | % |
| Cllr L.Z Lembethe | Part Time | Infrastructure | ANC | 100% | | % |
| Cllr M Lushaba | Part Time | MPAC, Finance Committee | EFF | 100% | | % |
| Cllr M Ngcongo | Part Time | MPAC, community Services | DA | 100% | | % |
| Cllr S Mdladla | Part Time | MPAC, Infrastructure | EFF | 98% | | % |
| Cllr M.M Mkhize | Part Time | MPAC , Corporate Services | IFP | 98% | | % |
| Cllr S.Z Mkhize | Part Time | Finance Committee | EFF | 100% | | % |
| *Note: \* Councillors appointed on a proportional basis do not have wards allocated to them* | | | | | *T A* | |

Concerning T, A

In terms of Section 152 of the Constitution, the Council has convened to ensure the adoption of the IDP/Budget and Performance Management System Process, the IDP, Budget, Organizational Scorecard, SDBIP, Performance Management related reports and other service delivery related deliberations. It should be noted that 11 meetings were planned for the period under review, 1 Special Council meeting was convened, 7 EXCO meetings and 12 Full Council meetings were held.

*T A.1*

## APPENDIX B – COMMITTEES AND COMMITTEE PURPOSES



## APPENDIX C –THIRD TIER ADMINISTRATIVE STRUCTURE

|  |  |
| --- | --- |
| **Third Tier Structure** | |
| **Directorate** | **Director/Manager (State title and name)** |
| Municipal Manager | Mr S Mngwengwe |
| Community Services | Ms NS Mkhize |
| Financial Services | Mr TE Gambu |
| Corporate Services | Ms NP Ngubane |
| Technical Services | Mr SG Mkhize |
| *Use as a spill-over schedule if top 3 tiers cannot be accommodated in chapter 2*  *T C* | |

|  |  |  |
| --- | --- | --- |
| **PORTFOLIO COMMITTEE** | **RESPOINSIBLE OFFICIAL** | **STATUS OF PORTFOLIO** |
| Finance Portfolio | Chief Financial Officer | Functional |
| Community and Corporate Services Portfolio | Director: Community Services and Director: Admin and Corporate Services | Functional |
| Infrastructure Portfolio | Director: Technical Services | Functional |
| Housing | Director: Technical Services | Functional |

There are other sub committees that are operational in the Municipality and those committees and forums are as follows.

• Local Labour Forum.

• Integrated Development Plan Representative Forum.

• Audit and Performance Audit Committee

• Risk Management Committee

• Information, Communication Technology Committee

• Budget Steering Committee

* Budget Steering and Interim Finance Committee

## APPENDIX D – FUNCTIONS OF MUNICIPALITY / ENTITY

|  |  |  |
| --- | --- | --- |
| **Municipal / Entity Functions** | | |
| **MUNICIPAL FUNCTIONS** | **Function Applicable to Municipality (Yes / No)\*** | **Function Applicable to Entity (Yes / No)** |
| **Constitution Schedule 4, Part B functions:** |  |  |
| Air pollution | Yes | No |
| Building regulations | Yes | No |
| Childcare facilities | Yes | No |
| Electricity and gas reticulation | No | No |
| Firefighting services | No | No |
| Local tourism | Yes | No |
| Municipal airports | No | No |
| Municipal planning | No | No |
| Municipal health services | No | No |
| Municipal public transport | No | No |
| Municipal public works only in respect of the needs of municipalities in the discharge of their responsibilities to administer functions specifically assigned to them under this Constitution or any other law |  | No |
| Pontoons, ferries, jetties, piers, and harbours, excluding the regulation of international and national shipping and matters related thereto | No | No |
| Stormwater management systems in built-up areas | Yes | No |
| Trading regulations | Yes | No |
| Water and sanitation services limited to potable water supply systems and domestic wastewater and sewage disposal systems | No | No |
| Beaches and amusement facilities | No | No |
| Billboards and the display of advertisements in public places | Yes | No |
| Cemeteries, funeral parlours, and crematoria | No | No |
| Cleansing | No | No |
| Control of public nuisances | Yes | No |
| Control of undertakings that sell liquor to the public | Yes | No |
| Facilities for the accommodation, care, and burial of animals | No | No |
| Fencing and fences | Yes | No |
| Licensing of dogs | Yes | No |
| Licensing and control of undertakings that sell food to the public | Yes | No |
| Local amenities | Yes | No |
| Local sport facilities | Yes | No |
| Markets | Yes | No |
| Municipal abattoirs | no | No |
| Municipal parks and recreation | Yes | No |
| Municipal roads | yes | No |
| Noise pollution | Yes | No |
| Pounds | Yes | No |
| Public places | Yes | No |
| Refuse removal, refuse dumps and solid waste disposal | Yes | No |
| Street trading | Yes | No |
| Street lighting | Yes | No |
| Traffic and parking | Yes | No |
| ***\* If municipality: indicate (yes or no); \* If entity: Provide name of entity*** | | *T D* |

## APPENDIX E – WARD REPORTING

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Name of Ward Councillor and Ward (Number)** | **Ward committee members** | **Committee established (Yes / No)** | **Number of monthly Committee meetings held during the year** | **Number of monthly reports submitted to Speakers Office on time** | **Number of quarterly public ward meetings held during year** |
| **Ward 1**  **Cllr. N. Maphumulo** | Siyabonga Bhengu | Yes | 4 | 110 | 3 |
| Nompumelelo Mkhize | Yes |
| Londeka Zulu | Yes |
| Mxolisi Ngubane | Yes |
| Thula Mngadi | Yes |
| Sizakele Ndlovu | Yes |
| Mthobisi Maphumulo | Yes |
| Thulani Gumede | Yes |
| Celimpilo Mthalane |  |
| Msitheli Adrias Mbele |  |
|  |  |  |  |  |  |
| **Ward 2**  **Cllr. S. Ngidi**  Cllr N.P Maphanga  Ward 3 | Londiwe Ndlovu | Yes | 4 | 90 | 5 |
|  | Yes |
| Nomthandazo Ndlovu | Yes |
|  | Yes |
| Mthobisi Dube | Yes |
| Nokuthula Nzama | Yes |
| Buyisile Mzila | Yes |
| Thamsanqa Mzimela | Yes |
| Londiwe Patricia Ntuli | Yes |
|  |  |
| Mthembu Thembekile | Yes |
| Ndlovu Ntokozo | Yes |
| Zulu Gcinumuzi | Yes |
| Mkhize Nhlakanipho | Yes |
| Ngidi Ayanda | Yes |
| Bandezi Nonkanyiso | Yes |
| Mdluli Ntombithini | Yes |
| Gwandela Mnyolisi | Yes |
| Thobile Mkhize | Yes |  |  |  |
|  |  |  |  |  |  |
| **Ward 4**  **Cllr.T.A. Gwala** | Thulani Phakathi | Yes | 4 | 108 | 6 |
| Thandeka Sibiya | Yes |
| Pinky Dlamini | Yes |
| Nhlanhla Shange | Yes |
| Welile Ndunge | Yes |
| Martin Zondi | Yes |
| Thulasizwe Hlongwa | Yes |
| Sibongile Doris Mkhize | Yes |
| Sindisiwe Gwala | Yes |
|  |  |  |  |  |  |
| **Ward 5**  **Cllr. N.W Ntombela** | Sanele Gumede | Yes | 4 | 126 | 9 |
| Nhlanhla Zimu | Yes |
| Thokozani Madlala | Yes |
| Sihle Dube | Yes |
| Thamsanqa Dlamini | Yes |
| Fikakubuswa Hlongwane | Yes |
| Balungile Jeza | Yes |
| Thobile Magoso | Yes |
|  |  |  |  |  |  |
| **Ward 6**  **Cllr. M.Cele** | Busi Dlamini | Yes | 4 | 112 | 3 |
| Lungisani Ngcongo | Yes |
| Mbali Ngcongo | Yes |
| Sibiya Bazamile | Yes |
| Nkanyiso Shange | Yes |
| Ncamile Dlamini | Yes |
| Nonhlanhla Shezi | Yes |
| Lindiwe Lembethe | Yes |
| Msizi Mthobisi Majola | Yes |
|  |  |  |  |  |  |
|  | Mandlakayisa Mthembu | Yes |  |  |  |
| **Ward 7**  **Cllr.N.E Ndlovu** | Lendi Mkhize | Yes | 4 | 124 | 10 |
| Phindeleni Shandu | Yes |
| Zanele Nene | Yes |
| Mfanafuthi Mabhida | Yes |
| Kwenzakwakhe Shange | Yes |
| Mbali Dlamini | Yes |
| Mbuyiselwa Mbonambi | Yes |
| Nqoko Gumede | Yes |
| Thamsanqa Shezi | Yes |
| Vumile Magubane | Yes |
|  |  |  |  |  | *T E* |

## APPENDIX F – WARD INFORMATION

|  |  |
| --- | --- |
| **Top Four Service Delivery Priorities for Ward (Highest Priority First)** | |
| **No.** | **Priority Name and Detail** |
| 1 | Water |
| 2 | Electricity |
| 3 | Roads |
| 4 | Housing |

## APPENDIX G – RECOMMENDATIONS OF THE MUNICIPAL AUDIT COMMITTEE YEAR 0

|  |  |  |
| --- | --- | --- |
| **Municipal Audit Committee Recommendations** | | |
| **Date of Committee** | **Committee recommendations during Year 0** | **Recommendations adopted (enter Yes) If not adopted (provide explanation)** |
| 17/08/2023 | The Audit Committee notes the Performance Management System Quarter 3 and 4 | Yes |
| 28/08/2023 | The Audit committee recommended that the APR be submitted to the council and AG subject to changes highlighted | Yes |
| 12/12/2023 | The Audit Committee notes the Performance Management System Quarter 1 | Yes |
| 31/03/2024 | The Audit Committee notes the Performance Management System Quarter 2 | Yes |
|  | | T G |

## APPENDIX H – LONG TERM CONTRACTS AND PUBLIC PRIVATE PARTNERSHIPS

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Long Term Contracts (20 Largest Contracts Entered into during Year 0)** | | | | | |
| **R' 000** | | | | | |
| **Name of Service Provider (Entity or Municipal Department)** | **Description of Services Rendered by the Service Provider** | **Start Date of Contract** | **Expiry date of Contract** | **Project manager** | **Contract Value** |
| First Rand Bank Limited | Provision Of Banking Services for Financial Year 2018/19 To 2023/2024 | 06-Aug-19 | 06-Aug-24 | Mr. M. Dlamini | Service Fees |
| Gatsheni Entertainment | Panel of events management for a period of 36 months. | 22 March 2023 | 22 March 2026 | Mr. M. Dlamini | *Admin Fees* |
| Genix Group | Valuation roll | 02 June 2023 | 02 June 2028 | Mr. M. Dlamini | *R 1 260 200.19* |
| Pace online | Design, hosting and maintenance of municipal website for a period of 36 months | 19 January 2023 | 19 January 2026 | Mr. M. Dlamini | *R 176 127.20* |
|  |  |  |  |  | *T H.1* |

## APPENDIX I – MUNICIPAL ENTITY/ SERVICE PROVIDER PERFORMANCE SCHEDULE

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Municipal Entity/Service Provider Performance Schedule** | |  |  |  |  |
| **Name of Entity & Purpose** | **(a) Service Indicators** | **Year 0** |  | **Year 1** |  |
|  | **(b) Service Targets** | **Target** | **Actual** | **Target** |  |
|  |  | **\*Previous Year** |  | **\*Previous Year** | **\*Current Year** |
| **(i)** | **(ii)** | **(iii)** | **(iv)** | **(v)** | **(vi)** |
| First Rand Bank Limited | Provision Of Banking Services for Financial Year 2018/19 To 2023/2024 | 100% | 100% | 100% | 100% |
| oGatsheni Entertainment | Panel of events management for a period of 36 months. | 100% | 100% | 100% | 100% |
| Genix Group | Valuation roll | 100% | 100% | 100% | 100% |
| Pace online | Design, hostingand maintenance of municipal website for a period of 36 months | 100% | 100% | 100% | 100% |
|  |  |  |  |  |  |
| *Note: This statement should include no more than the top four priority indicators. \* 'Previous Year' refers to the targets that were set in the Year -1 Budget/IDP round; \*'Current Year' refers to the targets set in the Year 0 Budget/IDP round. \*'Following Year' refers to the targets set in the Year 1 Budget/IDP round. Note that all targets must be fundable within approved budget provision. In column (ii) set out the Service Indicator (In bold italics) then the Service Target underneath (not in bold - standard type face) to denote the difference.* | | | | | |

## APPENDIX J – DISCLOSURES OF FINANCIAL INTERESTS

|  |  |  |
| --- | --- | --- |
| **Disclosures of Financial Interests** | | |
| **Period 1 July to 30 June of Year 0 (Current Year)** | | |
| **Position** | **Name** | **Description of Financial interests\* (Nil / Or details)** |
| **(Executive) Mayor** | NW Ntombela | Nil |
| **Member of MayCo / Exco** | N Maphanga | Nil |
|  | TA Gwala | Nil |
|  | KR Mofokeng | Nil |
| Councillor | N Maphumulo | Nil |
|  | S Ngidi | Nil |
|  | PN Maphanga | Nil |
|  | N.E Ndlovu | Nil |
|  | M Cele | Nil |
|  | M Ngcongo | Nil |
|  | L Lembethe | Nil |
|  | M Lushaba | Nil |
|  | M Mkhize | Nil |
|  | S Madladla | Nil |
|  | S Mkhize | Nil |
| **Municipal Manager** | Mr S Mngwengwe | Nil |
| **Chief Financial Officer** | Mr TE Gambu | Nil |
| **Deputy MM and (Executive) Directors** |  |  |
| **Technical** | Mr S Zulu | Nil |
| **Corporate** | Mr N.P Ngubane | Nil |
| **Community** | Ms NS Mkhize | Nil |
| *\* Financial interests to be disclosed even if they incurred for only part of the year. See MBRR SA34A T J* | | |

## APPENDIX K: REVENUE COLLECTION PERFORMANCE BY VOTE AND BY SOURCE

## APPENDIX K (ii): REVENUE COLLECTION PERFORMANCE BY SOURCE

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Revenue Collection Performance by Source** | | | | | | |
| **R '000** | | | | | | |
| **Description** | **Year -1** | **Year 0** |  |  | **Year 0 Variance** | |
|  | **Actual** | **Original Budget** | **Adjustments Budget** | **Actual** | **Original Budget** | **Adjustments Budget** |
| Property rates | 21 849 | 19 782 | 19 782 | 23937227 | 23937227 | 23937227 |
| Property rates - penalties & collection charges |  |  |  |  |  |  |
| Service Charges - electricity revenue |  |  |  |  |  |  |
| Service Charges - water revenue |  |  |  |  |  |  |
| Service Charges - sanitation revenue |  |  |  |  |  |  |
| Service Charges - refuse revenue | 574 | 574 | 574 | 5960686 | 0 | 0 |
| **Total Revenue (excluding capital transfers and contributions)** | **22 378** | **20 356** | **20 356** | **29897913** | **0,00%** | **0,00%** |
| *Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual. This table is aligned to MBRR table A4.* | | | | | | *T K.2* |

## APPENDIX L: CONDITIONAL GRANTS RECEIVED: EXCLUDING MIG

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Conditional Grants: excluding MIG** | | | | | | |
| **R' 000** | | | | | | |
| **Details** | **Budget** | **Adjustments  Budget** | **Actual** | **Variance** | | **Major conditions applied by donor (continue below if necessary)** |
| **Budget** | **Adjustments   Budget** |
| ***Other Specify:*** |  |  |  |  |  |  |
| Financial Management Grant | 3000000 | 3000000 | 3000000 |  |  |  |
| EPWP | 1671000 | 1671000 | 1671000 |  |  |  |
| Library Grant | 2004000 | 2004000 | 2004000 |  |  |  |
| **Total** |  |  |  |  |  |  |
| *\* This includes Neighbourhood Development Partnership Grant, Public Transport Infrastructure and Systems Grant and any other grant excluding Municipal Infrastructure Grant (MIG) which is dealt with in the main report, see T 5.8.3. Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual. Obtain a list of grants from national and provincial government.*  *T L* | | | | | | |

COMMENT ON CONDITIONAL GRANTS EXCLUDING MIG:

The above conditional grants excluding MIG is received by the municipality.

*T L.1*

## APPENDIX M – CAPITAL PROGRAMME BY PROJECT BY WARD YEAR 0

|  |  |  |
| --- | --- | --- |
| **Capital Programme by Project by Ward: Year 0** | | |
| **R' 000** | | |
| **Capital Project** | **Ward(s) affected** | **Works completed  (Yes/No)** |
| Electricity | Ward 2 | Yes |
| Refuse removal | Ward 3,4,5 | Yes |
| Economic development | Ward 1,2,3,4,5,6,7 | Yes |
| Sports, Arts & Culture | Ward 1,2,3,4,5,6,7 | Yes |
| *T M* | | |

## APPENDIX N – DECLARATION OF LOANS AND GRANTS MADE BY THE MUNICIPALITY

|  |
| --- |
| The municipality does not have any loans or grants.  TN |

## APPENDIX P – NATIONAL AND PROVINCIAL OUTCOMES FOR LOCAL GOVERNMENT

|  |  |  |
| --- | --- | --- |
| **National and Provincial Outcomes for Local Government** | | |
| **Outcome/Output** | **Progress to date** | **Number or Percentage Achieved** |
| Output: Improving access to basic services | To ensure the provision, upgrade and construction of infrastructure and services that enhance socio economic development within the municipality | 100% |
| Output: Implementation of the Community Work Programme | To promote the rights of designated groups | 80% |
| Output: Deepen democracy through a refined Ward Committee model | To ensure continuous engagement with ward constituencies | 80% |
| Output: Administrative and financial capability | Monitor financial ratios to ensure financial stability | 100% |
| *\* Note: Some of the outputs detailed on this table may have been reported elsewhere in the Annual Report. Kindly ensure that this information consistent.* | | |
| *T P* | | |

## VOLUME II: ANNUAL FINANCIAL STATEMENTS

|  |
| --- |
| Provide the Annual Financial Statements (AFS) to the respective financial year as submitted to the Auditor-General. The completed AFS will be Volume II of the Annual Report.  Refer to Annexure A |