



# UMDONI MUNICIPALITY DRAFT 2024/2025 ANNUAL REPORT

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**Legislative Responsivity: Municipal Council of Umdoni**

The 2024/2025 Annual Report has been prepared in accordance with the provisions of Section 121 of the Municipal Financial Management Act (MFMA), 56 of 2000, Section 46 of the Local Government Municipal Systems Act (MSA), 32 of 2000 and Circular no 63 of Provincial Treasury, and thereafter approved by the Municipal Council after following all the process prescribed by Section 129 of the MFMA. In compliance with the MFMA, this Annual report will be tabled by the Mayor at a Municipal Council Meeting to be held on 28 January 2026, as prescribed by Section 127 of the MFMA, and was thereafter, in terms of Section 21(a) of the MSA, publicized for comments.

As directed by Section 129 of the MFMA, the Oversight Committee which is the Municipal Public Accounts Committee (MPAC) inclusive of two community members assist the Municipal Council in considering the Annual Report. The report of the Oversight is included in the Annual report and is made public in terms of Section 21(a) of MSA”

**Mr. WT Gumede**  
**Acting Municipal Manager**  
**Umdoni Municipality**

# Chapter 1 – OFFICE OF THE MAYOR AND EXECUTIVE SUMMARY

## COMPONENT A – FOREWORD: OFFICE OF THE MAYOR



### 1.1 MAYOR FOREWORD

I am honoured to present the Umdoni Municipality's Annual Report for the 2024/2025 financial year. This report reflects our progress, our challenges, and the collective effort of the people and structures that shape the development of our municipality. Umdoni remains a diverse and dynamic area on the KwaZulu-Natal South Coast, enriched by a coastline stretching approximately 40 kilometres and characterised by the blend of rural, peri-urban, and urban communities that make up our social and economic landscape. Our Council, supported by the Executive

Committee, councillors, traditional leadership, and the administrative leadership under the Municipal Manager, has continued to steer the institution with commitment and accountability, ensuring that our priorities remain aligned to the needs of our people.

Throughout the year, Umdoni has remained committed to fulfilling its constitutional mandate to provide services, promote sustainable development, and create opportunities that improve the quality of life of all our residents. This includes maintaining and upgrading infrastructure, promoting local economic development, enhancing access to community facilities, supporting tourism, and ensuring the provision of services such as roads, stormwater management, libraries, community halls, electrification, and environmental management. These functions are embedded within our Integrated Development Plan (IDP), which aligns with the KwaZulu-Natal Provincial Growth and Development Strategy (PGDS). In this regard, our adopted strategic objectives continue to guide our work: providing and maintaining the infrastructure essential for economic development; promoting equitable and sustainable economic growth that addresses poverty, inequality, and unemployment; protecting human rights and uplifting vulnerable groups; and strengthening both internal and external communication to enhance public participation.

#### a. Key Service Delivery Improvements

The 2024/2025 financial year presented notable challenges. The municipality achieved 70% of its annual performance targets, a figure that is below the norm of 75%. This decline resulted largely from the labour unrest that took place in the first quarter of the year, driven by tensions related to salary equalisation, tools of trade, and skills development. These disruptions affected operational stability and slowed down service delivery progress in several areas. However, as the year progressed, both political and administrative leadership worked tirelessly to rebuild trust, stabilise labour relations, and restore a working environment focused on service excellence. Through continuous engagement and collective problem-solving, a renewed sense of collaboration emerged, enabling the municipality to refocus on its core mandate. Despite these early setbacks, the year also produced significant service delivery achievements that demonstrate the resilience and commitment of our Council,

administration, and communities. Key highlights include the re-gravelling of 8.4 kilometres of rural roads and the upgrading of steep hills from gravel to concrete, improving mobility and access for thousands of residents. We also rehabilitated 2.15 kilometres of urban roads, completed the construction of the Mandlalathi and Mgangeni Community Halls, and finalised Phase 2 of additions and repairs to the Umzinto Sports Field. Electrification of traditionally underserved areas progressed well, with 68 households in Kiss Kiss and 201 households in Mbetheni receiving electricity connections. In addition to these developmental projects, the municipality maintained four community halls, five tidal pools that contribute to our tourism appeal, four public libraries that support learning and literacy, and undertook verge maintenance and tree-felling activities across more than 13 areas to enhance environmental management and beautification efforts.

While we acknowledge the challenges of the past year, we also recognise that they provide an opportunity for improvement. The municipality is committed to implementing corrective measures aimed at strengthening project management, enhancing labour-management relations, increasing investment in staff development, and improving operational tools and systems. We will reinforce our monitoring and evaluation processes to detect risks earlier and ensure that resources are utilised efficiently. Moving forward, we remain dedicated to restoring stability, improving service delivery, and ensuring that we surpass our performance targets in the coming year.

#### **b. Public Participation**

Public participation continues to be the central pillar of how we plan, make decisions, and account to our communities. Through various platforms such as IDP roadshows, ward committee engagements, community meetings, and ongoing stakeholder consultations, we ensure that the voices of our people remain at the core of our planning and budgeting processes. Looking ahead, we aim to expand and modernise these methods by enhancing the use of digital communication channels, increasing outreach to rural communities, strengthening partnerships with traditional leaders, and promoting more participatory budgeting practices. These improvements will provide stronger accountability, transparency, and meaningful community involvement in municipal affairs.

#### **c. Future Actions**

We recognize that the journey toward a sustainable and inclusive municipality is a continuous one. We will focus on further strengthening community engagements, harnessing innovative solutions to address emerging challenges, strengthening our labour and stakeholder relations and fostering partnerships that amplify the impact of our initiatives in the coming financial year. As we navigate the complexities of a rapidly changing Umdoni, your support and collaboration remain indispensable.

We are facing challenges and an uncertain and unpredictable future economic climate, which means that a cautionary and conservative budgetary approach must be followed. Future planning includes but not limited to:

- Verge Maintenance
- Roads rehabilitation and upgrading
- Streetlight Maintenance
- Waste Management
- Maintenance of community facilities
- Infrastructure & Basic Services i.e (Funding from MIG, INEP for informal electrification.

#### **d. Conclusion**

In conclusion, I wish to extend my gratitude to the Council, the administrative leadership, our dedicated employees, and the people of Umdoni. Your resilience, engagement, and commitment to development continue to inspire our work. Together, we will build a municipality that is more responsive, more inclusive, and more prosperous for all who call Umdoni home.

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Your Worship: The Mayor  
Cllr. Mbali Cele- Luthuli

## COMPONENT B: EXECUTIVE SUMMARY

### 1.2 MUNICIPAL MANAGER'S OVERVIEW

It is my privilege to present the Umdoni Municipality's Annual Report for the 2024/2025 financial year. This report reflects our institutional performance, the challenges encountered, and the strides made towards building an administration that is stable, capable, ethical, and aligned to the developmental aspirations of our communities. Umdoni remains a municipality of strategic value within the KwaZulu-Natal South Coast, characterised by diverse settlement patterns, a rich coastline, and communities whose needs and hopes continue to guide our planning and operations. As administrators, we remain committed to ensuring that Council's strategic direction is implemented effectively and that our programmes support sustainable development and improved service delivery.

The past financial year demanded resilience from every level of the institution. While we achieved 70% of our annual performance targets, we recognise that this falls short of the expected minimum norm of 75%. This shortfall was influenced primarily by labour unrest experienced in the first quarter of the year. The tensions, driven by grievances related to salary equalisation, tools of trade, and skills development, disrupted operations and slowed the implementation of some planned activities. Such instability highlighted the importance of strengthened labour relations, proactive leadership, and improved internal communication. Throughout the year, the administrative leadership worked closely with political office-bearers, organised labour, and employees to rebuild trust and stabilise the workplace. These engagements proved essential in restoring functionality and reaffirming our shared commitment to the service delivery needs of our communities.

Despite the challenges, the municipality delivered several impactful service delivery outputs. These include the re-gravelling of 8.4 kilometres of rural roads and the upgrading of steep hills from gravel to concrete, the rehabilitation of 2.15 kilometres of urban roads, the completion of the Mandlalathi and Mgangeni Community Halls, and the completion of Phase 2 of additions and repairs to the Umzinto Sports Field. Significant electrification progress was achieved, with 68 households in Kiss Kiss and 201 households in Mbetheni receiving electricity connections. Equally important

was the sustained maintenance of municipal assets such as community halls, libraries, tidal pools, and public spaces. These achievements are a testament to the dedication of our teams and their ability to deliver even in difficult circumstances.

The year under review also highlighted systemic challenges that require strategic corrective action to strengthen institutional capacity. Going forward, the municipality will intensify efforts to professionalise and stabilise the administration. One of the core priorities is the restructuring of the municipal organogram to ensure alignment with the Local Government: Municipal Staff Regulations. This process will ensure that our structure supports improved service delivery, compliance, and the optimal deployment of skills across departments. In addition, the municipality is committed to addressing salary equalisation matters in a phased and fair manner, recognising their importance in restoring harmony in the workplace and preventing future labour disruptions.

A renewed focus on performance management will also form part of our corrective strategy. We will strengthen the alignment between organisational performance and individual performance, ensuring that the performance management system cascades effectively to lower-level employees. This will enhance accountability, improve work planning, and ensure that every employee understands their role in achieving the municipality's strategic objectives. The municipality also acknowledges the need for increased investment in skills development and capacity building, especially at operational levels. Through targeted training, mentorship programmes, and the efficient use of the Workplace Skills Plan, we aim to build a workforce that is knowledgeable, motivated, and equipped to meet the service delivery demands of our communities.

In our pursuit of service excellence, we will also improve internal communication channels to ensure that employees at all levels are informed, engaged, and able to participate in organisational processes. Enhanced communication will support sound labour relations, promote transparency, and foster unity within the institution. Furthermore, we will refine project management and monitoring systems to ensure timely implementation of capital projects, efficient use of resources, and early detection of risks that may impede performance.

As administrators, we remain committed to deepening public participation and ensuring that communities are central to planning, budgeting, and oversight processes. Strengthening community engagement—through improved digital platforms, consistent ward-based interactions, and expanded outreach to rural communities—will remain a key institutional priority. Accountability to our residents is at the core of our mandate, and we continue to prioritise this responsibility as we work to restore confidence and improve service delivery outcomes.

In closing, I express my gratitude to the Council, the Executive Committee, the Mayor, senior management, organised labour, and all employees who continue to serve the people of Umdoni with dedication. Although the year presented challenges, it also offered valuable lessons that will shape a more stable, capable, and performance-driven municipality. We move forward with renewed commitment to organisational reform, improved service delivery, and fostering a workplace defined by professionalism and shared purpose.

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Mr. WT Gumede  
Acting Municipal Manager

### 1.3 MUNICIPAL OVERVIEW

Umdoni local municipality is located in KwaZulu-Natal within the Ugu District municipality (DC21 within the Province of KwaZulu-Natal (Map 1). Umdoni municipality consists of 19 wards with a geographical area of 994 square kilometres. It abuts eThekweni Metro to the north, and Umzumbe to the south, and Ubuhlebezwe to the west, making it almost halfway from Port Shepstone and Durban. The Municipality is therefore conveniently located about 50 km from Durban and 65 km from Port Shepstone. Umdoni has an approximate coastline of 40 km and stretches inland as far as Kenterton. It includes the towns of Scottburgh, Umzinto and urban areas and settlements such as Amandawe, Emalangeneni and Amahlongwa and Dududu.

The municipality comprises of 19 municipal wards. The municipality incorporates seven traditional authority areas comprising 19 municipal wards. The traditional Authorities fall under Ugu Local Houses of Traditional Leaders in KZN. The Local House has its own vision, mission and strategic focus areas, depending on development programmes of its community. The Ugu Local House is governed by the Traditional Leadership and Governance Framework Act, 41 of 2003, and the KZN Traditional Leadership and Governance Act, 5 of 2005. These two pieces of legislation ensure alignment of the institution of traditional leadership in KZN with constitutional imperatives. Umdoni Council comprises of 19 ward Councillors and 17 Proportional Representative Councillors.

According to Statistics South Africa 2022 Census, Umdoni Local Municipality has a total population of 156 443. Umdoni is the second largest municipality after Ray Nkonyeni and it contributes 20,2% of the total population of the UGU district. 82 051 people which is 52,4% of the total population are females while 74 392 which constitutes 42,6% of the population are males. The sex ratio of the municipality is 91 males per 100 females.

Population Group	Number of People
<b>Black African</b>	123 358
<b>Coloured</b>	896
<b>Indian/Asian</b>	20 778
<b>White</b>	11 115
<b>Other</b>	243
<b>Unspecified</b>	14
<b>Total</b>	<b>156 443</b>

There are about 33 084 households throughout the municipality compared to 34 191 in 2011. The decrease in households could be for a number of reasons such as the devastating effect on the economy due to the COVID-19 pandemic that has seen a number of people within the area of jurisdiction lose their jobs, and this might have led to some community members moving in with their relatives to cut down on costs. According to StatsSA 2022 Census, the municipality has seen a 1.8% average annual population growth rate between 2011 and 2022. The increase in population presents challenges for municipal service delivery, as well as the demand for housing in urban areas. Rural-urban migration also has implications on the growth of informal settlements, which in many cases, encroach on land that could be used for agricultural production.

## 1.4 MUNICIPAL FUNCTIONS

The powers and functions of Umdoni Municipality are derived from the Constitution of the Republic of South Africa and a range of local government legislation, and could be summarised as follows: -

MUNICIPAL FUNCTIONS	Function Applicable to Umdoni Local Municipality (Yes /No)*
<b>Constitution Scheduled 4, Part B functions:</b>	
Air pollution	No
Building regulations	Yes
Child care facilities	No
Electricity and gas reticulation	No
Firefighting services	Yes
Local tourism	Yes
Municipal airports	No
Municipal planning	Yes
Municipal health services	No
Municipal public transport	Yes
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
Storm water management systems in the built-up areas	Yes
Trading regulations	Yes
Water and sanitation services limited to portable water supply system and domestic waste-water and sewage disposal systems	No
Beaches and amusement facilities	Yes
Billboards and the display of advertisements in public places	Yes
Cemeteries, funeral parlours and crematoria	Yes
Cleansing	No

MUNICIPAL FUNCTIONS	Function Applicable to Umdoni Local Municipality (Yes /No)*
Control of public nuisances	Yes
Control of undertakings that sell liquor to the public.	No
Facilities for the accommodation, care and burial of animals.	No
Fencing and fences	No
Licencing of dogs	No
Licencing and control of undertakings that sell food to the public.	No
Local amenities	Yes
Local sport facilities	Yes
Markets	Yes
Municipal abattoirs	No
Municipal parks and recreation	Yes
Municipal roads	Yes
Noise pollution	Yes
Pounds	Yes
Public places	No
Refuse removal, refuse dumps and solid waste disposal.	Yes
Street trading	Yes
Street lighting	Yes
Traffic and parking	Yes

## 1.5 ENVIRONMENTAL OVERVIEW

The table below indicated Umdoni local municipality's natural resources.

Natural Resources	
Major Natural resources	Relevance to Community
Forest	Yes
Estuary	Yes
Coastline	Yes

## 1.6 SERVICE DELIVERY OVERVIEW

The administrative component of Umdoni Local Municipality is headed by the Municipal Manager, who has five (5) General Managers reporting directly to him in terms of Section 56 of the Local Government: Municipal Systems Act, No. 32 of 2000.

The following provides an overview of the work performed during 2024/2025 financial year. The summaries of the performances reported below, must be read in conjunction with the audited performance report.

DIRECTORATE	SERVICES
<b>Office of the Municipal Manager</b>	The office of the Municipal Manager over and above the sections reflected below include the Communications and Customer care, Internal Audit, Risk Management, Youth Development, Public Participation & Council Support as well as IDP/PMS. Throughout the year the communications section communicated specific and service delivery related information with the public. i.e Refuse Removal schedules, progress on service delivery projects, Sod Turnings and Mayoral Izimbizo information updates, Council meetings. Council information is also communicated through the quarterly newsletters. The Internal Audit unit audited financial and non-financial related reports to ensure completeness and correctness of all reported performance on a scheduled basis. All audit activities assist with readiness and preparation of the external audit as conducted by the Auditor General. The IDP was developed and approved by Council on the 29 May 2024 as the most strategic principal document and

	plan of the municipality for execution by all Departments. The IDP was informed by the public engagement process, which guided the application of municipal resources. The IDP/PMS Section drafted the Service Delivery Budget and Implementation Plan (SDBIP) that was approved by the Mayor within 28 days after the approval of the municipal budget. Youth and Sport Development programs also received and provided significant support in benefit of our local communities.
<b>Corporate Services</b>	The Corporate Services Directorate managed all administrative processes of Council, of which included the Convening and reporting outcomes of Council and Council Committee meetings. The Directorate also hosts the Human Resources department which primarily handled all recruitment of employees during the financial year. The training and development of Councillors and municipal staff was coordinated in accordance with the municipality's Work Skills Plan (WSP) All council/municipality owned properties and legal services was also undertaken and managed by the directorate
<b>Budget &amp; Treasury</b>	Our municipal finances were done in accordance with the Council approved Budget, as was approved at the end of May 2024. All municipal finances were strictly managed in accordance national regulatory prescripts and municipal approved policies. The General Recognised Accounting Practices directed the standard recording of municipality transactions as was executed.
<b>Planning &amp; Development</b>	The Spatial development within the municipality boundaries, directed all spatial planning and developments for the year under review in accordance with the Council approved Spatial Development Framework. Spatial development was also to direct integration of communities both in terms of residential and business development programmes. The Town Planning department managed all building related activities and applications in accordance with set Building Relations and Spatial Planning Land Use Management Act and By-Laws. The Local Economic Development (LED) section initiated all local economic development programs and activities within the municipality. Support for existing and new local businesses were also provided to stimulate the development and expansion of local economy.
<b>Community Services</b>	The municipality Disaster Management plan facilitated the provision of major Fire and Rescue services to prevent any potential form of natural disaster. The Traffic and Law Enforcement services provided included regular traffic control and implementation of traffic rules and By-laws. Regular regulation of traffic, especially in the CBD of Scottburgh and at times in Umzinto ensured smoother traffic flow and the prevention and reduce of traffic related accidents. The

	<p>maintenance of our municipal Parks, Public open spaces were also managed, including the management of noise natural resource pollution of which include the protection of our Lagoons, Ocean and Forestry areas. Most of these programs were undertaken in collaboration with National/Provincial governments and institutions like the Sharks Board, KZN Wildlife. Our local, Libraries, Halls, Cemeteries, Museums, Arts and Culture.</p>
<p><b>Technical Services</b></p>	<p>The Community services directorate focused on the promotion of a clean, healthy and safe living and work environment. The cleanliness of the respective towns within our municipality boundaries by way weekly refuse removal for both residential and business communities. Some past challenges were experienced with availability of refuse trucks to effect scheduled refuse removal. The Technical Services Directorate was responsible for the roll-out and provision of Basic Services; including Electricity, Roads services and Infrastructure projects.</p> <p>The maintenance and improvement of our Roads Infrastructure networks received significant attention though much more focus and activity are currently in progress in this area. It is rather unfortunate that our municipal jurisdiction is not equal the amount of revenue generated for the provision of services. Our dependence on national and provincial grants hampers our intended levels of development amidst the municipality competing with other municipalities across the country. An improved revenue collection could ensure lesser dependence on national/provincial grants.</p>

## 1.5 FINANCIAL HEALTH OVERVIEW

The employee costs continue to trend on the Treasury norm which is (25-40%) and the municipality attained a 35% employee costs which is a decrease compared to the previous financial year of 41%. This could be attributed to the strict management of staff costs.

## CAPITAL HEALTH OVERVIEW

Capital expenditure has decreased significantly from the prior year attaining 89% expenditure in the 2023/2024 financial year. There were several issues affecting the spending of the budget including the low revenue collection; which led to expenditure being kept to a minimum.

## INTERNAL AUDITING: GOOD GOVERNANCE & FINANCIAL HEALTH

Internal Audit must functionally report to the Audit Committee, and administratively to the Accounting Officer. Independence is achieved through the organizational status and the objectivity of Internal Audit activity.

Statutorily under the auspice of the charter of the Audit Committee serving as its terms of reference, the Internal Audit provides an independent objective assurance and consulting activity that adds value and improves the operations of the Municipality. Internal Audit helps the organization to accomplish its objectives by bringing a systematic and disciplined approach to evaluate and improve effectiveness of risk management, control and governance. The internal audit developed reviewed its charter which was approved by the audit committee. The internal audit unit further developed, a risk-based annual plan which was implemented during the year and the unit was able to complete the plan.

The systems of internal controls for the municipality were reviewed by the unit for their adequacy and effectiveness and improvements were recommended to those charged with governance.

## MONITORING OF FINANCIAL GOVERNANCE: PLAN OF CORRECTIVE MEASURES

Internal Audit as part of the in-year monitoring, monitored very closely the implementation of the Action Plan of Corrective Measures stemming from the Auditor-General's audit Report 2024/2025, including matters arising from the Management Report 2024/2025.

## 1.5 ORGANIZATIONAL DEVELOPMENT OVERVIEW

Every Municipality, in terms of the Constitution and the Municipal Systems Act, Act 32 of 2000 and Municipal Staff Regulations, has to have a staff establishment reflecting the organizational design of the Municipality. The Organizational Design needs to be in line with the IDP and an updated organizational development overview for the Umdoni Municipality was conducted in 2022/2023 to align the structure with the IDP and to provide a structure to enable the Municipality to deliver in its mandate and service delivery.

Department	Functions
Office of the Municipal Manager	a. IDP/PMS b. Internal Audit c. Public Participation, Special Programmes & Council Support d. Communications and Customer Care e. Legal & Estates
Corporate Services	f. Human Resources g. Information Technology h. Auxiliary, Registry & Committees i. Fleet Management
Community Services	j. Community Facilities k. Traffic & Policing l. Beach Management m. Libraries n. Fire & Disaster

Department	Functions
<b>Financial Services</b>	<ul style="list-style-type: none"> <li>o. Parks &amp; Gardens</li> <li>p. Supply Chain Management</li> <li>q. Budget &amp; Treasury</li> <li>r. Revenue Management</li> <li>s. Expenditure Management</li> <li>t. Asset Management</li> </ul>
<b>Planning &amp; Development</b>	<ul style="list-style-type: none"> <li>u. Local Economic Development</li> <li>v. Building Control</li> <li>w. Town Planning</li> <li>x. Environmental Management</li> </ul>
<b>Technical Services</b>	<ul style="list-style-type: none"> <li>y. Project Management</li> <li>z. Waste Management</li> <li>aa. Human Settlements</li> <li>bb. Roads &amp; Stormwater</li> </ul>

## 1.6 AUDITOR GENERAL REPORT

Umdoni Local Municipality received an unqualified audit opinion for the 2024/2025 financial year. This is an improvement from a Qualification in 2023/2024 financial year.

### 1.6.1 AUDITED OUTCOMES

- 2020/2021 – Unqualified with other matters
- 2021/2022 – Unqualified with other matters
- 2022/2023 – Unqualified with other matters
- 2023/2024 – Qualified (Regressed)
- 2024/2025 – Unqualified with other matters

### Report of the auditor-general to KwaZulu-Natal Provincial Legislature and the council on Umdoni Municipality Report on the audit of the financial statements

#### Opinion

I have audited the financial statements of the Umdoni Municipality set out on pages xx to xx which comprise the statement of financial position as at 30 June 2025, statement of financial performance, statement of changes in net assets, cash flow statement and statement of comparison of budget and actual amounts for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Umdoni Municipality as at 30 June 2025 and financial performance and cash flows for the year then ended in accordance with the Standards of Generally Recognised Accounting Practice (GRAP) and the requirements of the Municipal Finance Management Act 56 of 2003 (MFMA) and the Division of Revenue Act 24 of 2024 (Dora).

#### Basis for opinion

I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the responsibilities of the auditor-general for the audit of the financial statements section of my report.

I am independent of the municipality in accordance with the International Ethics Standards Board for Accountants' *International code of ethics for professional accountants (including International Independence Standards)* (IESBA code) as well as other ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

#### Emphasis of matters

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

#### Restatement of corresponding figures

As disclosed in note 46 to the financial statements, the corresponding figures for 30 June 2024 were restated as a result of errors in the financial statements of the municipality at, and for the year ended, 30 June 2025.

#### Allowance for impairment

As disclosed in note 3 and 4 to the financial statements, the municipality recognised an allowance for the impairment of both receivables from exchange transactions and receivables from non-exchange transactions to the value of R37,44 million (2023-24: R35,40 million) and R111,76 million (2023-24: R113,98 million) respectively. Unspent conditional grants

As disclosed on note 11 to the financial statements, the municipality disclosed unspent conditional grants of R11,53 million (2023-24: R6,94 million).

### Other matters

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

### Unaudited disclosure notes

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

### Responsibilities of the accounting officer for the financial statements

The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the SA Standards of GRAP and the requirements of the MFMA and Dora; and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the accounting officer is responsible for assessing the municipality's ability to continue as a going concern; disclosing, as applicable, matters relating to going concern; and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the municipality or to cease operations or has no realistic alternative but to do so.

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

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error; and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report.

### Report on the audit of the annual performance report

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

I selected the following development priority presented in the annual performance report for the year ended 30 June 2025 for auditing. I selected a development priority that measures the municipality's performance on its primary mandated functions and that is of significant national, community or public interest.

Development priority	Page numbers	Purpose
Basic service delivery and infrastructure development	XX	Provision of basic services and infrastructure which includes the rehabilitation of roads, refuse removal and the construction of sports fields

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

I performed procedures to test whether:

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

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

The material findings on the reported performance information for the selected development priority are as follows:

### Basic service delivery and infrastructure development

Various indicators

I could not determine the accuracy of various reported achievements, as the indicators were not well defined and I could not verify the methods and processes

used to measure the achievements. Consequently, the reported achievements might be more or less than reported and were not reliable for determining if the targets have been achieved.

Indicator	Target	Reported achievement
BSD1.1 - Number of KMs of Roads Rehabilitated	Refurbish 8000m of gravel and concrete sections (1-Jiza Rd ,2-Phondweni Rd,3-Majola Rd, 4-Maphumulu Rd, 5-Mbulala Nkukhu,6-Mndaweni Rd, 7-Mashilo Rd, 8- Mhlangamkhulu Rd, 9-Cele,11-Somkhandu, 13-Ryland,14-VictoRd, 16-Shezi Rd,17-Estaladini Rd, 18-320 Rd & 19-Mathabethe Rd ) by 30 June 2025	Refurbished 6400m of gravel and concrete sections (1-Jiza Rd ,2-Phondweni Rd,3-Majola Rd, 4-Maphumulu Rd, 5-Mbulala Nkukhu,6-Mndaweni Rd, 7-Mashilo Rd, 8- Mhlangamkhulu Rd, 9-Cele,11-Somkhandu, 13-Ryland,14-VictoRd, 16-Shezi Rd,17-Estaladini Rd, 18-320 Rd & 19-Mathabethe Rd ) by 30 June 2025
BSD1.2 - Number of meters of gravel and concrete sections	Refurbish 8000m of gravel and concrete sections (1-Jiza Rd ,2-Phondweni Rd,3-Majola Rd, 4-Maphumulu Rd, 5-Mbulala Nkukhu,6-Mndaweni Rd, 7-Mashilo Rd, 8- Mhlangamkhulu Rd, 9-Cele,11-Somkhandu, 13-Ryland,14-VictoRd, 16-Shezi Rd,17-Estaladini Rd, 18-320 Rd & 19-Mathabethe Rd ) by 30 June 2025	Refurbished 6400m of gravel and concrete sections (1-Jiza Rd ,2-Phondweni Rd,3-Majola Rd, 4-Maphumulu Rd, 5-Mbulala Nkukhu,6-Mndaweni Rd, 7-Mashilo Rd, 8- Mhlangamkhulu Rd, 9-Cele,11-Somkhandu, 13-Ryland,14-VictoRd, 16-Shezi Rd,17-Estaladini Rd, 18-320 Rd & 19-Mathabethe Rd ) by 30 June 2025

Some supporting evidence was not provided for auditing; or, where it was, I identified material differences between the actual and reported achievements. Consequently, the achievements might be more or less than reported and were not reliable for determining if the targets had been achieved.

Indicator	Target	Reported achievement
BSD3.4 - Percentage of Shange Access Road regravelled	Regravel 100% of Shange Access Road by 31 December 2024	Regravelled 100% of Shange Access Road by 31 December 2024
BSD3.5 - Percentage of Hazelwood area (Gravel road) regravelled	Re-gravel 100% Hazelwood Area (Gravel Road) by 31 December 2024	Re-gravelled 100% Hazelwood Area (Gravel Road) by 31 December 2024
BSD3.6 - Percentage of Mphemba Access Road regravelled	Achieved Re-gravel 100% Mphemba Access Road by 31 December 2024	Re-gravelled 100% Mphemba Access Road by 31 December 2024
BSD37 - Percentage of Bushy Grove rehabilitated	Rehabilitate 100% of Bushy Grove by 31 December 2024	Rehabilitated 100% of Bushy Grove by 31 December 2024

BSD4.2 - Percentage of Oswanini Community Hall constructed and completed  
 The reported measures taken to improve performance against the underachieved target of 0%, did not agree to the audit evidence. The audit evidence indicated the measures to be leadership and labour engagements and not bid committee sitting as reported in the annual performance report. Consequently, the reported measures are not reliable for helping to understand the actions taken by the municipality to address performance gaps and to assess the effectiveness of strategies to improve future performance against the target.

#### Other matters

I draw attention to the matters below.

#### Achievement of planned targets

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

The table that follows provides information on the achievement of planned targets and lists the key service delivery indicators that were not achieved as reported in the annual performance report. The reasons for any underachievement of targets / measures taken to improve performance are included in the annual performance report on pages xx to xx.

#### Basic service delivery and infrastructure development

<i>Targets achieved: 79%</i>		
Key service delivery indicator not achieved	Planned target	Reported achievement
Number of meters of gravel and concrete sections	Refurbish 8000m of gravel and concrete sections (1-Jiza Rd ,2-Phondweni Rd,3-Majola Rd, 4-Maphumulu Rd, 5-Mbulala Nkukhu,6-Mndaweni Rd, 7-Mashilo Rd, 8- Mhlangamkhulu Rd, 9-Cele,11-Somkhandu, 13-Ryland,14-VictoRd, 16-Shezi Rd,17-Estaladini Rd, 18-320 Rd & 19-Mathabethe Rd ) by 30 June 2025	Refurbished 6400m of gravel and concrete sections (1-Jiza Rd ,2-Phondweni Rd,3-Majola Rd, 4-Maphumulu Rd, 5-Mbulala Nkukhu,6-Mndaweni Rd, 7-Mashilo Rd, 8- Mhlangamkhulu Rd, 9-Cele,11-Somkhandu, 13-Ryland,14-VictoRd, 16-Shezi Rd,17-Estaladini Rd, 18-320 Rd & 19-Mathabethe Rd ) by 30 June 2025

Percentage of Nsongeni Road upgraded from Gravel to Asphalt	Upgrade 100% of Nsongeni Road from Gravel to Asphalt by 30 June 2025	Upgraded 58% of Nsongeni Road from Gravel to Asphalt by 30 June 2025
Percentage of Dumisa Community Halls and Skills Centre Refurbished	Refurbish 100% of Dumisa Community Hall and Skills Centre by 30 June 2025	Refurbished 70% of Dumisa Community Hall and Skills Centre by 30 June 2025
Percentage of Oswanini Community Hall constructed and completed	Construct and Complete 30% of Oswanini Community Hall by 30 June 2025	Constructed and Completed 0% of Oswanini Community Hall by 30 June 2025

### Material misstatements

I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were in the reported performance information for Basic service delivery and infrastructure development. Management did not correct all of the misstatements and I reported material findings in this regard.

### Report on compliance with legislation

In accordance with the PAA and the general notice issued in terms thereof, I must audit and report on compliance with applicable legislation relating to financial matters, financial management and other related matters. The accounting officer is responsible for the municipality's compliance with legislation.

I performed procedures to test compliance with selected requirements in key legislation in accordance with the findings engagement methodology of the Auditor-General of South Africa (AGSA). This engagement is not an assurance engagement. Accordingly, I do not express an assurance opinion or conclusion.

Through an established AGSA process, I selected requirements in key legislation for compliance testing that are relevant to the financial and performance management of the municipality, clear to allow consistent measurement and

evaluation, while also sufficiently detailed and readily available to report in an understandable manner. The selected legislative requirements are included in the annexure to this auditor's report.

The material findings on compliance with the selected legislative requirements, presented per compliance theme, are as follows:

### Annual financial statements, annual performance report and annual report

The financial statements submitted for auditing were not prepared in all material respects in accordance with the requirements of section 122(1) of the MFMA. Material misstatements of current assets, current liabilities, expenditure and disclosure items identified by the auditors in the submitted financial statements were subsequently corrected, resulting in the financial statements receiving an unqualified audit opinion.

### Expenditure management

Reasonable steps were not taken to prevent unauthorised expenditure amounting to R26,42 million (2023-24: R6,58 million) as disclosed in note 49 to the annual financial statements, in contravention of section 62(1)(d) of the MFMA. The majority of the unauthorised expenditure is caused by unbudgeted non-cash items.

Reasonable steps were not taken to prevent fruitless and wasteful expenditure amounting to R0,27 million (2023-24 R0,11 million) as disclosed in note 50 to the annual financial statements, in contravention of section 62(1)(d) of the MFMA. The majority of the fruitless and wasteful expenditure was caused by interest on late payments.

Reasonable steps were not taken to prevent irregular expenditure amounting to R303,31 million (2023-24: R16,36 million) as disclosed in note 51 to the annual financial statements, in contravention of section 62(1)(d) of the MFMA. The majority of the disclosed irregular expenditure was caused by non-compliance with supply chain regulations.

## Procurement and contract management

Deviations were approved by the accounting officer even though it was not impractical to invite competitive bids, in contravention of SCM Regulation 36(1). Similar non-compliance was also noted in the prior year.

Awards were made to providers who were in the service of other state institutions, in contravention of MFMA 112(1)(j) and SCM Regulation 44. Similar awards were identified in the previous year and no effective steps were taken to prevent or combat the abuse of the SCM process, as required by SCM Regulation 38(1).

## Human resource management

Financial interests were not disclosed by the senior managers within 60 days from date of appointment, as required by Regulation on appointment and conditions of employment of senior managers 36(1)(a) on appointment and conditions of employment of senior managers.

## Strategic planning and performance

The performance management system and related controls were inadequate as they did not ensure that effective monitoring, reviewing and reporting processes were conducted, as required by municipal planning and performance management regulation 7(1). This is evidenced by material findings in the reported indicators.

### Consequence management

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

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

## Other information in the annual report

The accounting officer is responsible for the other information included in the annual report. The other information referred to does not include the financial statements, the auditor's report and those selected development priority presented in the annual performance report that have been specifically reported on in this auditor's report. My opinion on the financial statements, and my reports on the audit of the annual performance report and compliance with legislation do not cover the other information included in the annual report and I do not express an audit opinion or any form of assurance conclusion on it.

My responsibility is to read this other information and, in doing so, consider whether it is materially inconsistent with the financial statements and the selected development priority presented in the annual performance report or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

I did not receive the other information prior to the date of this auditor's report. When I do receive and read this information, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary.

## Internal control deficiencies

I considered internal control relevant to my audit of the financial statements, annual performance report and compliance with applicable legislation; however, my objective was not to express any form of assurance on it.

The matters reported below are limited to the significant internal control deficiencies that resulted in the basis for the material findings on the annual performance report and the material findings on compliance with legislation included in this report.

Management did not have an effective management records system that assist in easy retrieval for audit purposes. Management did not implement proper internal controls to ensure that appropriate records are maintained to support the audit trail and enhance accurate reporting with GRAP standards and performance management framework. Furthermore, procurement and contract management

practices were not always effective in ensuring compliance with relevant laws and regulations.

### Other reports

I draw attention to the following engagement conducted by various parties. The report did not form part of my opinion on the financial statements or my findings on the reported performance information or compliance with legislation.

### There are currently two investigations taking place:

- The two investigations are being investigated by the Directorate for Priority Crime Investigations (Hawks). One of which relates to procurement and contract management fraud during the 2020-21 period amounting to R6,7 million, while the other matter investigated by the Hawks relates to the theft of fuel.

Pietermaritzburg  
30 November 2025



A U D I T O R - G E N E R A L  
S O U T H A F R I C A

*Auditing to build public confidence*

## 1.7 STATUTORY ANNUAL REPORT PROCESS

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 – September 2025
2	Implementation and monitoring of approved Budget and IDP commences (In-year financial reporting).	
3	Finalize the 4th quarter Report for previous financial year	
4	Submit draft year 2024/2025 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)	
8	Mayor tables the unaudited Annual Report	August 2025
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 2025
12	Municipalities receive and start to address the Auditor General's comments	January 2026
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	March 2026
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	March – May 2026
This Annual Report must now be tabled by the end of January 2026 and the Oversight Report must be submitted to the Council by the end of March 2026.		

## CHAPTER 2: GOVERNANCE

### 2.1 COMPONENT A: POLITICAL GOVERNANCE



Cllr. MJ Cele Luthuli -  
Mayor



Cllr. PE Thabethe -  
Deputy Mayor - Ward 9



Cllr. SD Mdluli  
PR Councillor



Cllr. P Naidoo - EXCO  
Member



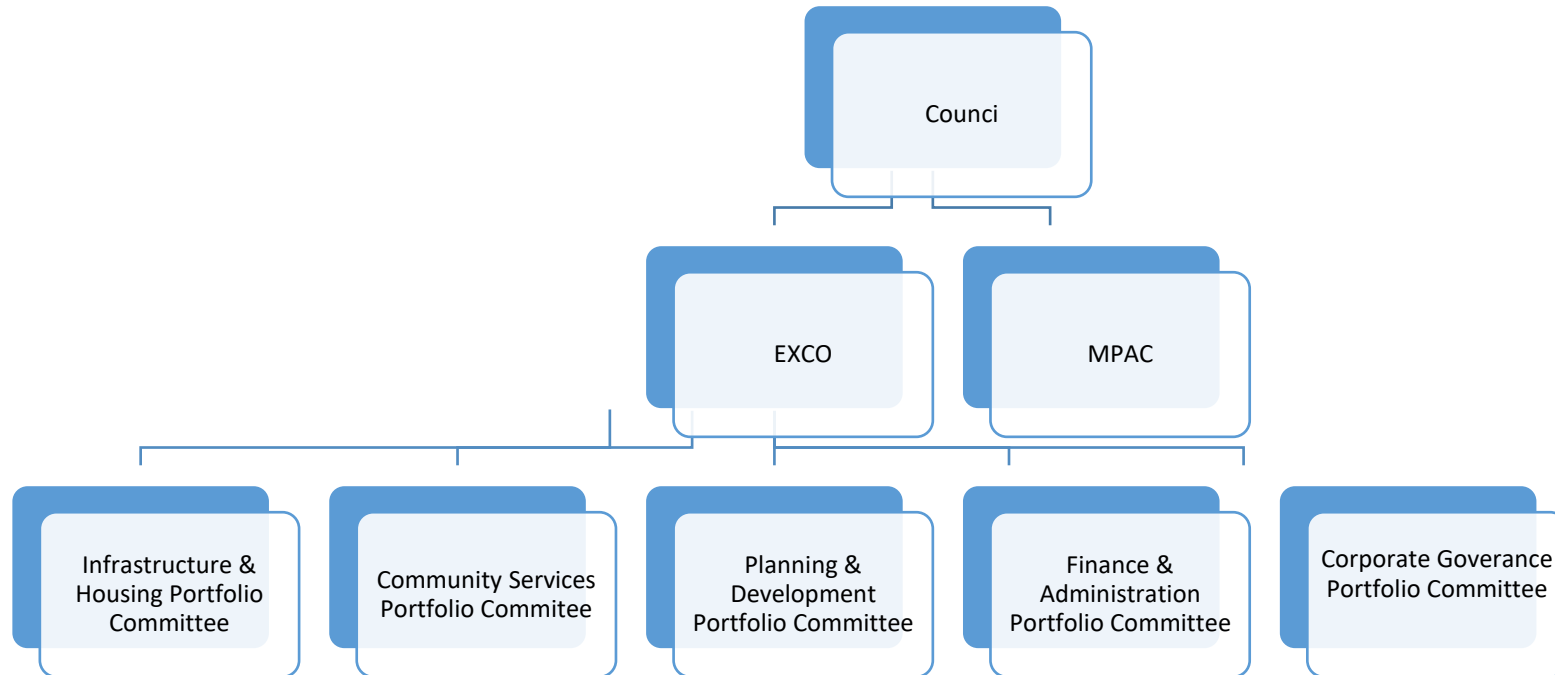
Cllr. SG Dlamini - PR  
EXCO Member



Cllr. ZZ Duma - PR  
EXCO Member

## COUNCIL PORTFOLIO COMMITTEES

The diagram below indicates the workflow procedures within the Municipality.





Cllr. S Zulu - Ward 1



Cllr. MR Madlala -  
Ward 2



Cllr. ME Mbutho -  
Speaker Ward 3



Cllr. MA Mbanjwa -  
Ward 4



Cllr. MG Phungula -  
Ward 5



Cllr. LR Dlamini - Ward  
6



Cllr. SW Mthwane -  
Ward 7



Cllr. SHE Mngoma -  
Ward 8



Cllr. A Cutten- Ward 10



Cllr. NP Nombika -  
Ward 11



Cllr. S Sookhraj –  
Ward 12



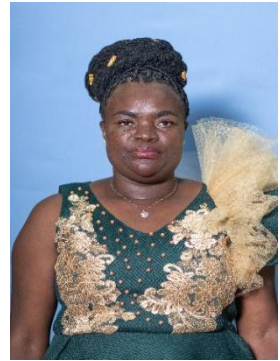
Cllr. R Maharaj  
- Ward 13



Cllr. BA Cele –  
Ward 14



Cllr. D Daniels –  
Ward 15



Cllr. NL Nkomo – Ward  
17



Cllr. NT Ndlovu –  
Ward 18



Cllr. SV Khanyile –  
Ward 19



Cllr. KP Khumalo – PR



Cllr. MA Khan – PR



Cllr. MJ Ndlela – PR



Cllr. MJ Ngubo PR



Cllr. MP Tenza - PR



Cllr. NC Gumede - PR



Cllr. R Bhoola - PR



Cllr. S Mohamed - PR



Cllr. S Mzelemu



Cllr. SD Mdluli - PR

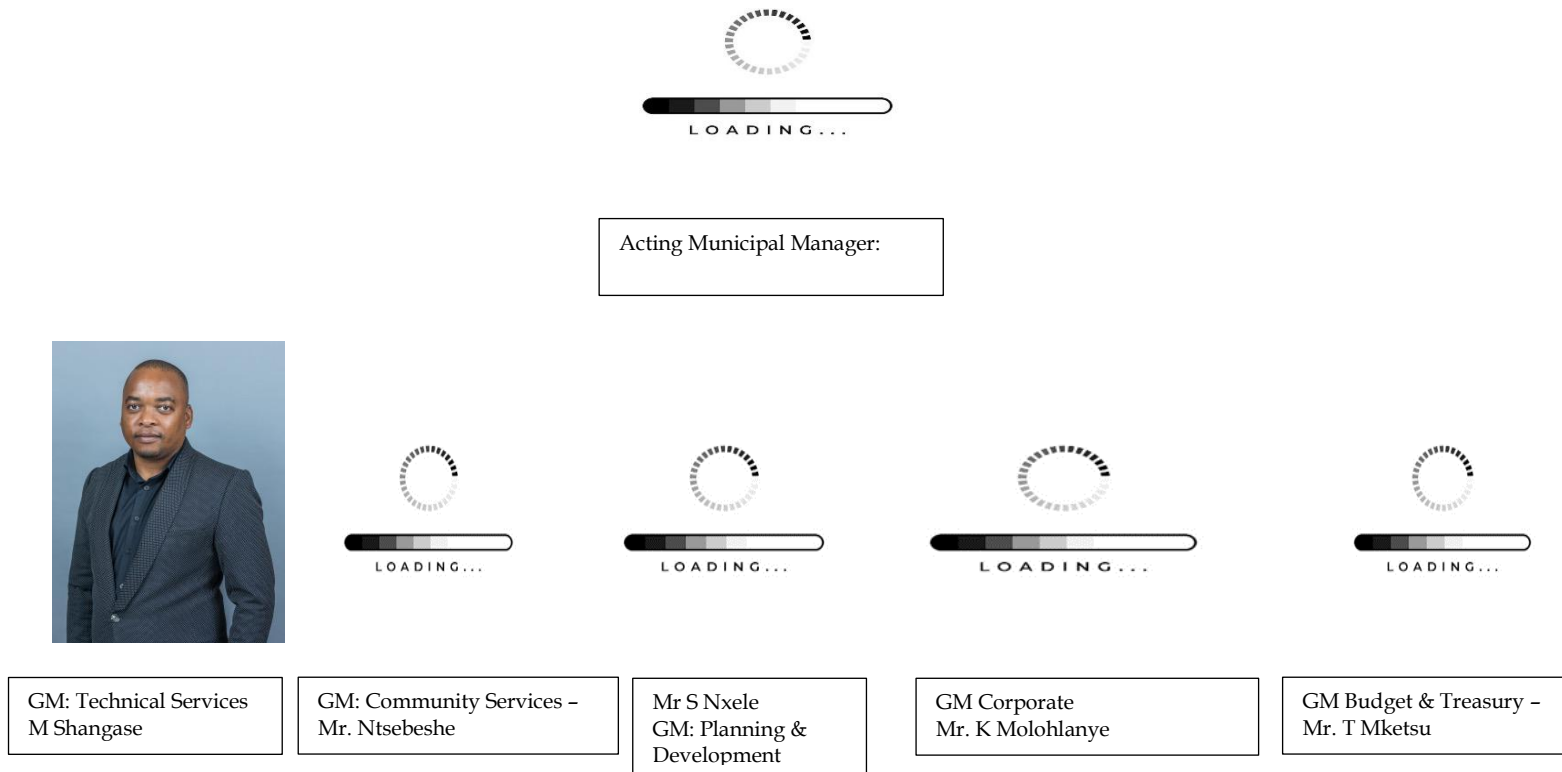


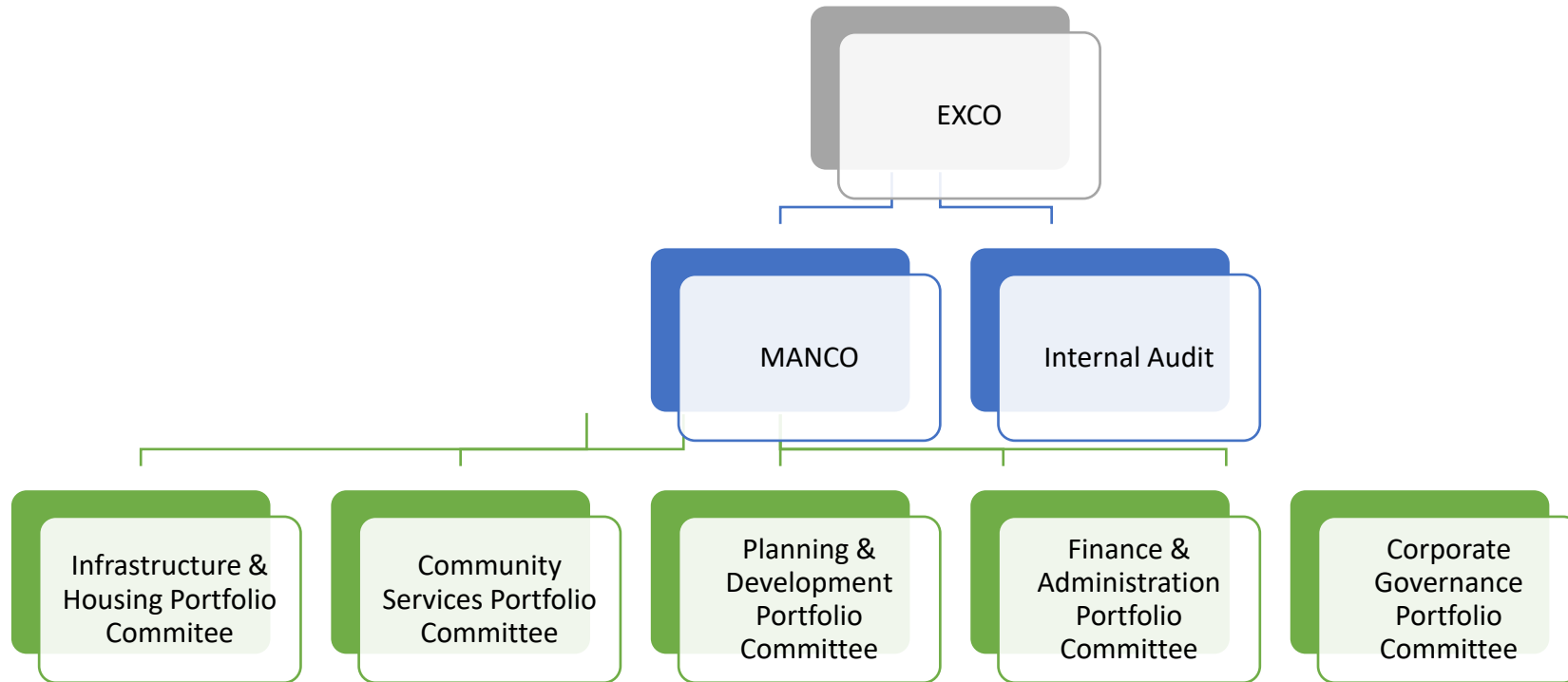
Cllr. Z Molife - PR



Cllr. ZKW Jeza - PR

## 2.2 ADMINISTRATIVE GOVERNANCE





## 2.3 COMPONENT B: INTERGOVERNMENTAL RELATIONS

Umdoni Local Municipality forms part of various intergovernmental relations platforms within the District and the province. However active participation in some of the platforms has been a challenge for the year under review due to instability challenges within the institution that has affected the effective participation in the Intergovernmental Forums..

Umdoni Actively participates in the following forums:

Municipal Managers National Forum  
The Institute of Municipal Managers  
SALGA National Assembly

Provincial intergovernmental activities within the province. The Municipality Delegates Councillors and Senior Officials to the following Forums:

Premiers Coordinating Forum  
SALGA Working Groups  
Municipal Managers Forum  
Provincial IDP Indaba  
Disaster Management Forum

District intergovernmental Forums, the district Councillors and Officials attend the following forums:

District Municipal Council  
District LED Forum  
District IDP Forum  
District Planners Forum  
District DDM

## RELATIONSHIP WITH MUNICIPAL ENTITIES

Umdoni Municipality has a shared services municipal entity called UGU South Coast Tourism and Investment Enterprise (SCTIE) with the rest of the local municipalities within the UGU District. This entity is being managed by the District. Reporting on the entity is done at a District level.

## 2.4 COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION

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

### PUBLIC MEETINGS

WARD	DATE	VENUE
1	19/03/2024	Mandlakapheli Sportsground
2	20/03/2024	Khakhame Sportsground
3	22/03/2024	Phindavele Sportground
4	26/03/2024	Bhadane Sportground
5	28/03/2024	Dumisa Sportground
6	09/04/2024	Breamer Primary Sportground
7	10/04/2024	Kwagwala Sportground
8	11/04/2024	Mhlangamkhulu Sportground
9	12/04/2024	Zwelisha Sportground
13	12/04/2024	Umzinto Town Hall
10, 14, 15 & 16	18/04/2024	Amandawe Community Hall Country Club Sportground
11 & 12	23/04/2024	Invrougue Sportground Ghandinager Crèche
16	25/05/2024	Gqolweni Sportground
17	30/04/2024	Amandawe Community Centre
18	02/05/2024	Okhalweni Sportground
19	03/05/2024	KwaCele Sportground

**COMMUNITY MEETINGS – 1 JULY 2023 – 30 JUNE 2024**

CLLR	WARD	TIME	VENUE	COMMUNITY MEETING FROM JULY 2023 – JUNE 2024											
				Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Cllr S.Zulu	01	10h00	All VDs	12	10	28	25	30	27	25	29	26	31	28	12
Cllr MR Madlala	02	10h00	All VD's	20	24	24	28	26	30	28	25	22	27	24	08
Cllr ME Mbutho	03	10h00	All VD's	31	18	31	28	27	30	29	26	30	28	25	09
Cllr MA Mbanjwa	04	10h00	Kenterton Community Hall	21	18	18	22	20	17	16	21	18	17	20	18
Cllr GM Phungula	05	10h00	Dumisa Community Hall	15	05	21	20	04	06	12	15	23	05	22	13
Cllr LG Dlamini	06	10h00	All VD's	16	27	10	14	23	17	18	24	17	10	11	21
Cllr WS Mtwane	07	10h00	MPCC	05	02	08	03	07	05	03	02	06	04	08	06
Cllr SHE Mngoma	08	10h00	MPCC	04	01	01	05	03	07	05	02	06	04	01	06
Cllr PE Thabethe	09	10h00	MPCC Hall	27	28	28	25	26	30	29	26	30	28	25	30
Cllr EV Baptie	10	12h00	All VDs	07	04	04	08	06	10	09	06	03	08	05	03
Cllr PN Nombika	11	10h00	All VDs	30	27	27	24	29	26	25	29	26	31	28	05
Cllr S Sookraj	12	10h00	Umzinto Town Hall	23	12	25	19	18	17	23	14	11	12	14	12
	13	13h00	Umzinto Hall	05	04	04	08	06	03	08	05	02	07	04	02
Cllr BA Cele	14	17h00	Amandawe Hall	31	28	28	25	30	27	26	30	27	25	29	13
Cllr S Singh	15	17h00	All VDs	22	25	23	25	23	24	23	26	23	23	24	12
Cllr.MJ Cele. Luthuli	16	10h00	Mahlongwa Hall	27	16	17	24	28	28	23	29	27	18	10	06
Cllr NL Nkomo	17	16h00	Amandawe Community Hall	12	15	07	17	13	14	19	11	19	21	10	11
Cllr TN Nzama	18	10h00	Amahlongwa Community Hall	15	13	16	12	19	19	11	23	25	18	19	12
Cllr SV Khanyile	19	10h00	Mahlabathini	30	27	27	24	29	26	25	29	26	31	28	05

## 2.5 IDP PARTICIPATION & ALIGNMENT

Community participation in the Integrated Development Planning (IDP) process is vital for creating sustainable, inclusive, and effective development strategies. IDP participation promotes:

- **Inclusivity and Representation:** Engaging the community ensures that diverse voices, especially those of marginalized groups, are heard and included in decision-making.
- **Ownership and Accountability:** When communities are involved, they feel a sense of ownership over development plans, leading to better commitment to implementation and monitoring.
- **Local Knowledge and Insight:** Communities bring unique insights about local challenges and resources, enriching the planning process with practical solutions.
- **Transparency and Trust:** Participation fosters transparency, which strengthens trust between local governments and citizens.
- **Alignment with Real Needs:** Community input ensures that the IDP reflects genuine needs and priorities, preventing a mismatch between plans and reality.

## MAYORAL IZIMBIZO & IDP ROADSHOWS

Ward No.	Period	Venue
All	October/November 2023	N/A
01	19 March 2024	Mandlakapheli Sportsfield
02	20 March 2024	Khakhama Sportsfield
03	22 March 2024	Phindavele Sportsfield
04	26 March 2024	Kwa Bhadane Sportsfield
05	28 March 2024	KwaDumisa Sportsfield
06	09 March 2024	Breamar Primary Sportsfield
07	09 April 2024	KwaGwala Sportsfield
08	11 April 2024	Mhlangamkhulu Sportsfield
09	12 April 2024	Zwelisha Sportsfield
10 & 15	18 April 2024	Country Club Sportsfield
14 & 16	18 April 2024	Amandawe Community Hall
11	23 April 2024	Invrogie Sportsfield
12	23 April 2024	Gandinagah Creche
16	25 April 2024	Gqolweni Sportsfield
17	30 April 2024	Amandawe Community Centre
18	02 May 2024	Okhalweni Sportsfield
19	03 May 2024	KwaCele Sportsfield

## **WARD COMMITTEES**

The roles and responsibilities of Ward Committees are described and applied according to Ward Committee policies and legal framework.

The Municipal Structures (Act 117 of 1998) provides for the establishment of Ward Committees. These structures are created to assist the Ward Councillors to carry out their mandate. Ward Committees are intended to deepen democracy & accountability and ensure a healthy social contract between communities and Municipal Government.

The main roles of Ward Committees are as follows:

- a) To monitor the performance of the Municipality and raise issues of concern in the local wards
- b) To increase the participation of local residents in municipal decision making, as they are a direct and unique link with the Council
- c) They are representative of the local ward and are not politically aligned.
- d) They are involved in matters such as the Integrated Development Planning process, Municipal Programmes, as all these processes impact local communities
- e) They assist in community awareness campaigns as they understand and know the needs of the communities.

## **ESTABLISHED AND FULLY FUNCTIONAL WARD COMMITTEES**

Umdoni Municipality comprises of 19 Wards, rural and semi-rural components. The ward committees consist of 10 members that represent sectors or VDs. The Ward Councillor is the Chairperson of that particular ward. A secretary is appointed by the respective Ward/s to perform the administrative functions of the Ward Committee.

As per regulations and Guidelines for Ward Committees, all Committees are required to meet monthly (totalling 12 meetings per annum), and have constituency meetings quarterly.

**FUNCTIONALITY OF WARD COMMITTEES 2023/2024 FY**

Ward No.	Reporting Quarter	No of WC Meeting held	Functionality status (Fully Functional/Non Functional)
01.	July-September 2023	03	Fully Functional
	October-December 2023	03	
	January-March 2024	03	
	April-June 2024	03	
02.	July-September 2023	03	Fully Functional
	October-December 2023	03	
	January-March 2024	03	
	April-June 2024	03	
03	July-September 2023	03	Fully Functional
	October-December 2023	03	
	January-March 2024	03	
	April-June 2024	03	
04	July-September 2023	03	Fully Functional
	October-December 2023	03	
	January-March 2024	03	
	April-June 2024	03	
05	July-September 2023	03	Fully Functional
	October-December 2023	03	
	January-March 2024	03	
	April-June 2024	03	
06	July-September 2023	03	Fully Functional
	October-December 2023	03	
	January-March 2024	03	
	April-June 2024	03	

Ward No.	Reporting Quarter	No of WC Meeting held	Functionality status (Fully Functional/Non Functional)
07	July-September 2023	03	Fully Functional
	October-December 2023	03	
	January-March 2024	03	
	April-June 2024	03	
08	July-September 2023	03	Fully Functional
	October-December 2023	03	
	January-March 2024	03	
	April-June 2024	03	
09	July-September 2023	03	Fully Functional
	October-December 2023	03	
	January-March 2024	03	
	April-June 2024	03	
10	July-September 2023	03	Fully Functional
	October-December 2023	03	
	January-March 2024	03	
	April-June 2024	03	
11	July-September 2023	03	Fully Functional
	October-December 2023	03	
	January-March 2024	03	
	April-June 2024	03	
12	July-September 2023	03	Fully Functional
	October-December 2023	03	
	January-March 2024	03	
	April-June 2024	03	

Ward No.	Reporting Quarter	No of WC Meeting held	Functionality status (Fully Functional/Non Functional)
13	July-September 2023	03	Fully Functional
	October-December 2023	03	
	January-March 2024	03	
	April-June 2024	03	
14	July-September 2023	03	Fully Functional
	October-December 2023	03	
	January-March 2024	03	
	April-June 2024	03	
15	July-September 2023	03	Fully Functional
	October-December 2023	03	
	January-March 2024	03	
	April-June 2024	03	
16	July-September 2023	03	Fully Functional
	October-December 2023	03	
	January-March 2024	03	

Ward No.	Reporting Quarter	No of WC Meeting held	Functionality status (Fully Functional/Non Functional)
	April-June 2024	03	
17	July-September 2023	03	Fully Functional
	October-December 2023	03	
	January-March 2024	03	
	April-June 2024	03	
18	July-September 2023	03	Fully Functional
	October-December 2023	03	
	January-March 2024	03	
	April-June 2024	03	
19	July-September 2023	03	Fully Functional
	October-December 2023	03	
	January-March 2024	03	
	April-June 2024	03	

## COMPONENT D: CORPORATE GOVERNANCE

### 2.6 RISK MANAGEMENT

Enterprise Risk Management (ERM) forms a critical part of any institution's strategic management. It is the process whereby an institution both methodically and intuitively addresses the risk attached to its activities with the goal of achieving sustained benefit within each activity and across the portfolio of activities

Section 62(1)(c)(i) of the Municipal Finance Management Act 56 of 2003 (MFMA), prescribes that the accounting officer must ensure that the institution has and maintains effective, efficient and transparent systems of financial and risk management and internal control. As such the municipality has undertaken a risk assessment review with the aim of mitigating the threats that the municipality is faced with in order to ensure that service delivery within the municipality is not compromised. During the 2023/24 financial year, the municipality reviewed the risk management policy with the auspices of the Provincial Treasury and was adopted by the council. In terms of this policy, it outlines the processes to be undertaken by the municipality in terms of identifying, measurement, responding and reporting on risks that could affect the municipality from achieving its strategic and operational objectives.

Accordingly, for this period, the municipality identified the risks that could affect its operations and actions plans to mitigate these risks were developed and monitored on an ongoing basis by both the action owners and the risk management committee.

The following is the top five risks that were identified in the municipality's risk register;

1. Failure to prevent, detect and report on irregular expenditure.
2. Failure to attract critical skills and to retain critical employees.
3. Inadequate systems of fleet management
4. Inadequate implementation of waste management solutions

Failure to respond timeously and effectively in the event of a disaster.

### 2.7 ANTI-FRAUD & CORRUPTION

The Municipality is committed to protecting its funds and other assets. The Municipality took a firm stance that it will not tolerate corrupt or fraudulent activities whether internal or external to the organizations, and will vigorously pursue and prosecute any parties, by all legal means available against those that engage in such practices or attempt to do so.

The Municipality's Anti-Corruption Strategy and Fraud Prevention have been developed as a result of the expressed commitment of Government to fight corruption.

The municipality adopted the following strategies to be employed in dealing with fraud and corruption;

#### (a) Structural Strategies

- I. Allocation of responsibilities for fraud and corruption risk management within the institution.
- II. Establishing an ethical culture within the municipality
- III. Ensuring that Senior management affirms its commitment on eradicating fraud and corruption
- IV. Assessment of fraud and corruption risks, and;
- V. Employee awareness

#### (b) Operational Strategies

- I. Internal controls
- II. Preventive controls which includes amongst other things, employee awareness, pre-employment screening, recruitment procedures, internal audit programmes, disclosure of interests
- III. Detection strategies which includes, Internal audit and External audit
- IV. Response strategies which includes, reporting fraud and corruption, investigating fraud and corruption

### (c) Maintenance strategies

- I. Review the effectiveness of the anti-fraud and corruption strategy and prevention plan
- II. Review and updating the anti-fraud and corruption strategy and prevention plan.

## 2.8 SUPPLY CHAIN MANAGEMENT

Supply chain management (SCM) is an integral part of financial management. This function integrates the planning, procurement and provisioning processes, and seeks to introduce best practices, whilst at the same time addressing Government's preferential procurement policy objectives.

The accounting officer of a municipality must implement an efficient system of acquisition management, in terms of paragraph 11 of the Municipal Supply Chain Management Regulations, to ensure that:

- a) That goods and services are procured by the municipality in accordance with authorized processes only;
- b) That expenditure on goods and services is incurred in terms of an approved budget in terms of section 15 of the MFMA;
- c) That the threshold values for the different procurement processes are complied with;
- d) That bid documentation, evaluation and adjudication criteria and the general conditions of a contract, are in accordance with any applicable legislation; and
- e) That any Treasury guidelines on acquisition management are properly taken into account.

These are phases that distinguish the SCM processes:

Demand management which deals with the planning process, such as:

- Determination of market strategy.
- Acquisition management which deals with procurement processes, such as:
  1. Identification of preferential policy objectives which include the implementation of BBBEE scorecards as adopted in December 2011; 2023 specific goals were introduced replacing 2017 regulations of BBBEE.
  2. Compilation of tender documentation, including Conditions;
  3. Determination of evaluation criteria;
  4. Evaluation of tenders and tabling of recommendations;
  5. Compilation and signing of contract documents; and
  6. Contract administration (contract register).
  7. Logistics management, which deals with provision of services; and
  8. Disposal management, which deals with disposal of assets once their lifespan has come to an end.

Improvements made in the 2023/2024 financial year included the consolidation of the following:

- Contract register where we monitor the spending of awarded bids;
- Circulation of a checklist schedule for quotations below R200 000, amendments were made to the regulations threshold for Procurement above R30 000, for Local Municipalities to R300 000. All costs inclusive, to ensure full compliance with the requirements of the bid and legislative prescripts;
- Monitoring of the quotation register, where service provider information is updated regularly before an appointment is made;
- Registering of bids awarded to Construction Industry Development Board (CIDB);

- Reporting of awarded bid contracts and quotations to National Treasury on a live feed; above R300 000 only.
- Recording of pre-evaluation/functionality scoring for bids in order to document how the committee arrives at their scoring and the deliberations that took place;
- Recording of all site briefing meetings for us to have documentation on what was discussed and to know changes made; a site meeting register is available for every site meeting taking place .and
- Set dates were designed for BID committee meetings for members to be informed on time and also to be able to prepare for the meetings.

#### Challenges we continue to experience:

- Compliance to SDBIP by user departments as items are not procured according to the procurement plan;
- Committee members not attending the bid committee meetings;
- Bidders not fully completing the bid documents and attaching the necessary information;
- Late submission of requests for procurement from the user departments, which leads to the inability to conclude SCM processes on time. This results in unnecessary extension of contracts;
- Poor understanding of contract management;

Umdoni Municipality complies with the prescribed framework, Section 112 of the Municipal Finance Management Act No. 56 of 2003 (MFMA), when acquiring goods and services in a way that is fair, equitable, transparent, competitive and cost-effective.

#### This is achieved by the following activities:

- We advertise all our bids in public, through Notice Board and on the Municipality website for transparency; and also on E-Tenders as per Regulations,

- We do that in order to obtain value for money as there will be competitive bidding of price and/or proposal offers from various service providers;
- Bids are opened in public and offers are read in public to avoid corruption and tempering with bid prices;
- Intention to award for a successful bidder is published in order to allow objections, if any, from other service providers;
- Unsuccessful bidders are informed in writing of the bid outcome; and
- A bid register is published on the website to offer those who could not make it to the bid opening to have the result of the bid opening.

## 2.9 MUNICIPAL BY-LAWS

The following by-laws were adopted by Council on 30 May 2023 for the 2023/2024 Financial Year:

Credit Control and Debt Collection By-Law  
Municipal Property Rates By-Law  
Tariff By-Law

## 2.10 MUNICIPAL WEBSITE

Our website remains the main bridge of communication between the Municipality, public and stakeholders. All computers currently placed in our libraries are properly maintained in order to ensure that the information placed on the website is easily accessible to the public. We continuously strive to ensure that all information posted on the website is of public interest and also complies with legislations such as MFMA Section 75. Attached below is the Website compliance checklist for Umdoni Municipality. It articulates the information available for public scrutiny and compliance with relevant legislation.

Circular Ref:	Required Information	Does the Municipality have the required Information?		Is the Information on the Municipal Website?		Department	Responsible Person
		(Mark with x)		(Mark with x)			
		Yes	No	Yes	No		
a)	The Annual & Adjustment budget related documents					Finance: Budget Section	CFO
b)	All Budget Related Policies					Finance: Budget Section	CFO
c)	Tariffs Policy					Finance: Revenue Section	CFO
d)	Rates Policy					Finance: Revenue Section	CFO
e)	The Credit Control & Debt Collection Policy					Finance: Revenue Section	CFO
f)	Cash Management & Investment Policy					Finance	CFO
g)	Borrowing Policy					Finance	CFO
h)	Funding & Reserves Policy					Finance	CFO
i)	Long-Term Borrowing Policy					Finance	CFO
j)	Supply Chain Management Policy					Finance: SCM Unit	CFO
k)	Management & Disposal of Assets Policy					Finance: Assets Unit	CFO
l)	Infrastructure Investment & capital projects policy					Finance & Tech Services	CFO & GM TS
m)	Indigent Policy						CFO
n)	Provision of Free Basic Services Policy					Finance	CFO
o)	The Annual Report					Office of MM	Municipal Manager

Circular Ref:	Required Information	Does the Municipality have the required Information?		Is the Information on the Municipal Website?		Department	Responsible Person
		(Mark with x)		(Mark with x)			
		Yes	No	Yes	No		
p)	All Performance Agreements Required in terms of Sec75(1) of the MFMA					MM: IDP/PMS	MM
q)	All Service Delivery Agreements  ESKOM Arts & Culture for Libraries Department of Transport Humberdale Landfill site					Finance & Tech Services	CFO Mr Bhengu Mrs. Shange PMU
r)	All Long Term borrowing contracts					Finance	CFO
s)	All Supply Chain Management contracts above a prescribed value					Finance	CFO
t)	All Information statement containing a list of assets over a prescribed value that have been disposed of in terms of Section 14(2) or (4) during the previous Quarter					Finance	CFO
u)	Contracts to which sub-section (1) of 33 apply, subject to Subsection (3) of that Section					Finance & Corporate Services	CFO&GM:CpS
v)	Public-Private Partnership Agreements referred to in section 120					Corporate Services Legal & Estates	GM:CpS
w)	All Quarterly reports tabled in the Council in terms of Section 52(d)					Corporate Services: Committee Section	GM:CpS
x)	Draft IDP					IDP/PMS	MM
y)	Final IDP					IDP/PMS	MM
z)	Service Delivery Budget & Implementation Plan					IDP/PMS	MM
aa)	2023/2024 Draft Annual Report					Corporate Services	GM:CpS
bb)	2024/2025 Performance Agreements					IDP/PMS	MM
cc)	List of Disposed Assets					Finance	CFO

Circular Ref:	Required Information	Does the Municipality have the required Information?		Is the Information on the Municipal Website?		Department	Responsible Person
		(Mark with x)		(Mark with x)			
		Yes	No	Yes	No		
dd)	Council Meeting Minutes					Corporate Services: Committee Section	GM:CpS
ee)	Services offered by Umdoni					All Service Delivery Departments	All HODs
ff)	Community Services					Community Services	GM:CS & IT Section
gg)	Corporate Services					Corporate Services	GM:CpS
hh)	Human Settlements					Technical Services	Manager: Housing & IT Section
ii)	Planning & Development					Planning & Development	GM:P&D & IT Section
jj)	Solid Waste Management					Technical Services	GM:TS & IT Section
kk)	Water & Sanitation					Technical Services	GM:TS & IT
ll)	Vision & Mission					IT Section	GM:CpS
mm)	About Us					IT Section	GM:CpS
nn)	Departments					IT Section	GM:CpS
oo)	Notices & Events					Public Participation & Communications	Manager:PPC
pp)	Business Opportunities - LED					Planning & Development	GM:P&D
qq)	Notice on Council Meetings – Home Page					Corporate Services	GM: CpS

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

### 3.1 WATER PROVISION

Statistics South Africa (StatsSA) 2022 Census indicates that 21 789 out of 33 087 Households in Umdoni Municipality that have access to water that is provided by a regional/local water scheme operated by a municipality. 66% of Umdoni households have access to water through UGU District Municipality while the remaining 34% of the household's waters sources are boreholes, Springs, Dams, Rivers and Rain Water Tanks.

The Umdoni Municipality is experiencing water shortage and disruption of services on a regular basis. The provision of water is the responsibility of the Ugu District Municipality although the Local Municipality is assisting in gathering of information and the development of a consolidated Infrastructure Plan to inform the Water Services Development Plan by providing information on backlogs and needs. This will assist the District to strategize the eradication of backlogs. The map below indicates access to water within the Umdoni Municipal Area.

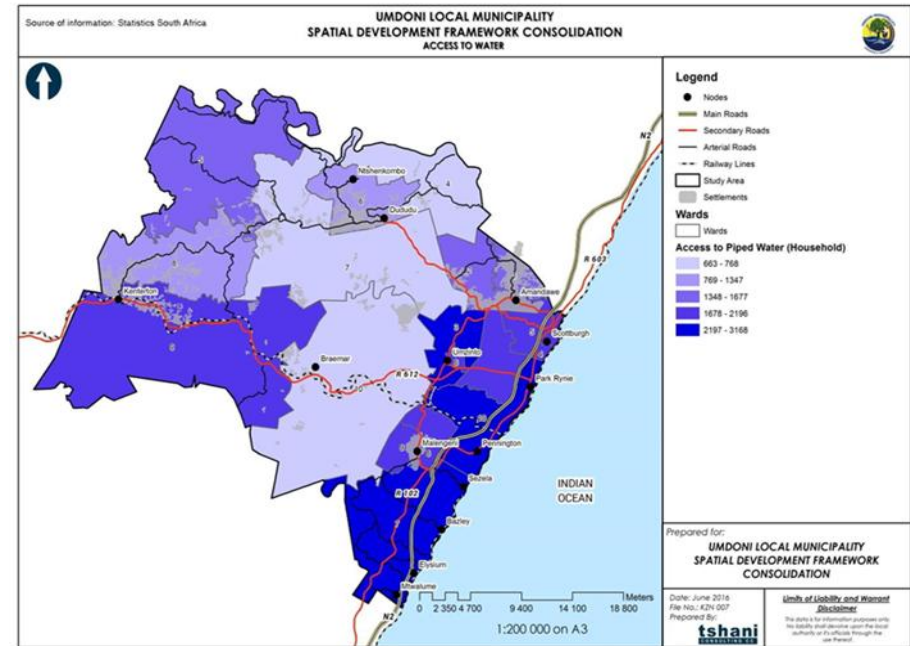


Figure: 3.1 Access to Water

### 3.2 WASTE WATER (SANITATION) PROVISION

The StatsSA 2022 census indicates that 19 849 Households in Umdoni use flush toilets connected to a public sewerage system while 1324 Households have flush toilets connected to a septic or conservancy tank. 3639 households use a chemical toilet whilst 4942 use Pit latrine toilets with ventilation pipes known as VIPs. 6 616 Households in Umdoni use VIPs without ventilation pipes with the remainder of the household population uses the ecological toilets. 983 Households in Umdoni which

represents 3% of our household population still use the bucket system that is collected by the municipality. This shows an increase from 504 households in the 2016 StatsSA Community Survey.

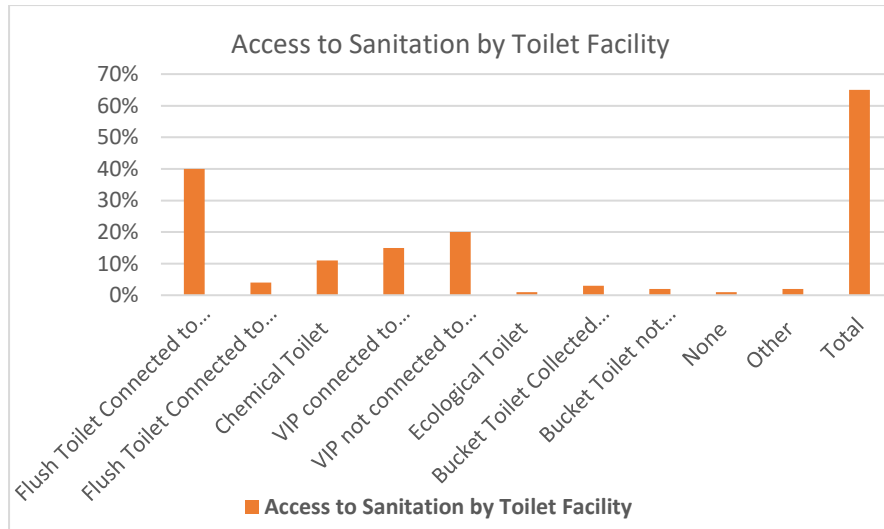


Figure 3.2.1: Access to Sanitation by Toilet Facility (StatsSA 2022)

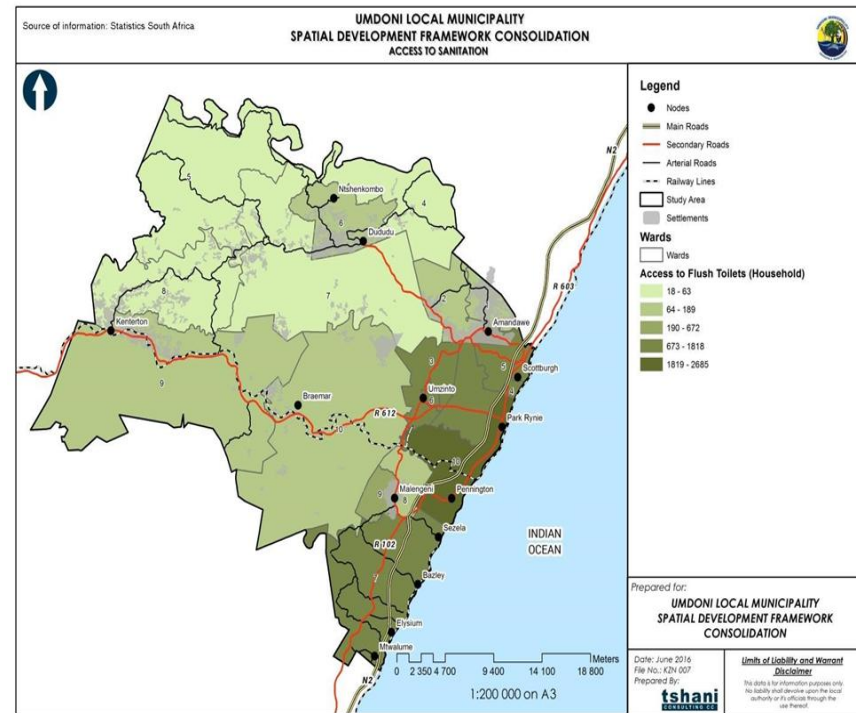


Figure 3.2.2: Map – Access to Sanitation

### 3.3 ELECTRICITY PROVISION

According to the StatsSA 2022 census 90% of Households in Umdoni have access to energy and connected from mains. 8% of our household population still uses candles whilst 1% uses generators and another 1% using paraffin. The statistic though does not account for the percentage of households with illegal connections within the bracket of 90% of households classified to having access to energy/electricity considering the fact that all our informal settlements are riddled with dangerous illegal connections that increase load shedding within its areas and possibility to damage to current existing infrastructure that is not adequate to cater for the growing households within each area.

The figure below indicates the percentages of households with access to energy/electricity within the jurisdiction of Umdoni.

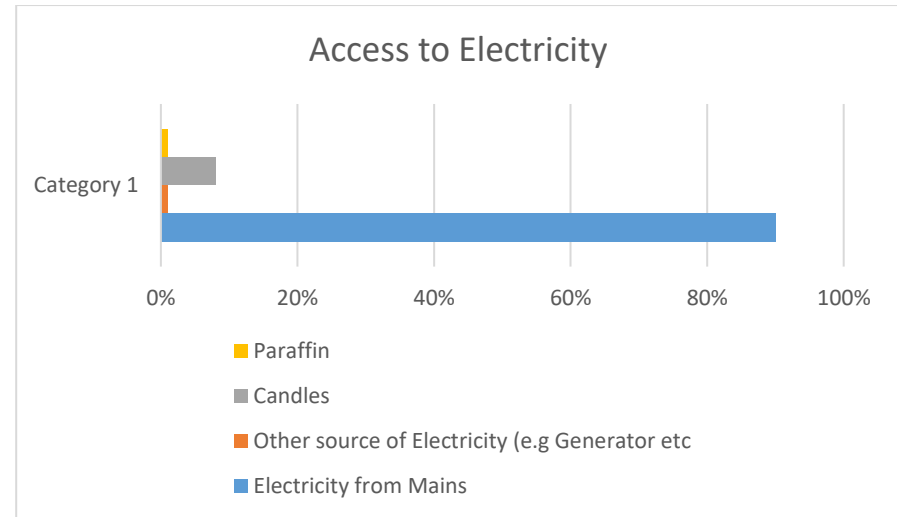


Figure 3.3 Access to Energy by source (StatsSA 2022)

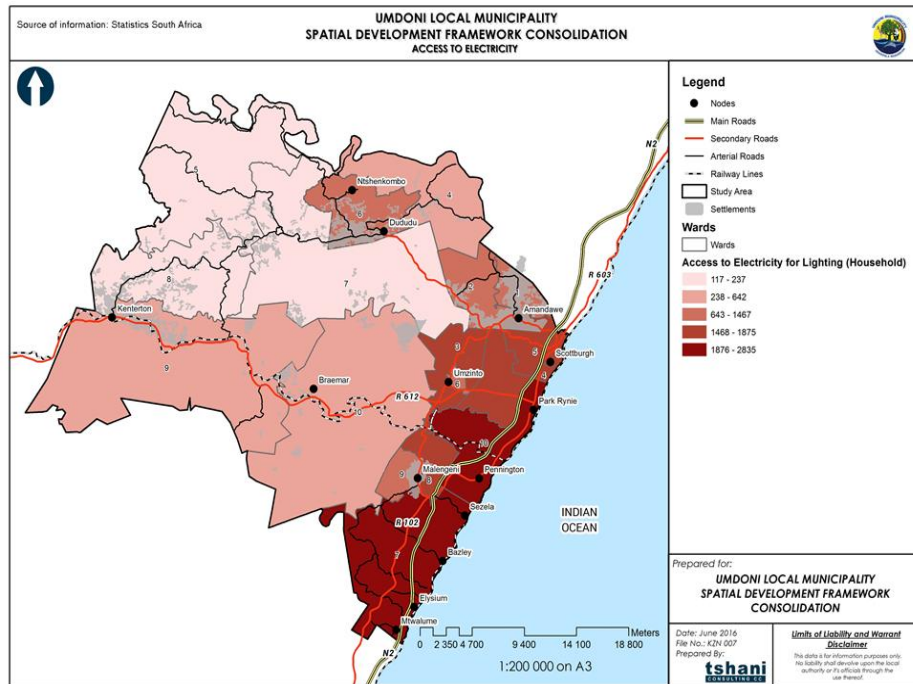


Figure 3.3.1 – Access to Electricity

### ELECTRIFICATION OF WARD 11 (KISS KISS, ALEX & MBETHENI) PRE-MARKETING

In an attempt to deal with the 8% electrification, backlog the municipality was allocated R815 000 for feasibility studies and premarketing for 423 connections in Ward 11 for electrification of Kiss Kiss, Alex and Mbetheni informal settlements. BI Infrastructure were appointed as consultants and commenced in July 2023 and completed feasibility study and premarketing on 13 December 2023. ESKOM

approved the preliminary designs and construction phases will commence will commence in 2024/2025 financial year.

### ELECTRIFICATION OF NTSHASENI, MTHOLI PHASE 1 (WARD 1)

Izingodla Engineering was appointed on a turnkey contract with an award value of R5 898 301.00 The project scope is the electrification of 265 households with 13 transformer zones to cater for intended connections fed through the ESKOM network. The project commenced in August 2023.

The construction work on site has been completed and the revised design package has been uploaded to the ESKOM network and is awaiting approval thereafter a memo will be submitted to book an outage. As at 30 June 2024 the expenditure was at R5 596 261.56 which is 94.88% of the total allocation.

Challenges experienced during the construction phase of the project were delays due to change/update in specification requirements by Eskom. Eskom has introduced a new compliant standard that requires surveyors to tag transformers within each project. A large-scale survey is currently happening on existing infrastructure throughout KZN and it has been issued as a compliance standard.

As a remedial action a survey was carried out on site by ESKOM and new data was uploaded on the ESKOM portal.

### 3.4 WASTE MANAGEMENT

According to the StatsSA 2022 census 14 555 households in Umdoni have access to the refuse removal service. This means that 44% of our total households has access to the refuse removal service. This number is quite low considering the fact that the refuse removal service is a core function for this municipality.

There is a fleet and machinery challenge that hinders the effective and efficient delivery of the refuse removal services within the municipality. Of the 79 skips the municipality has, 45 cannot be utilised due to corrosion of the floors, side panels and tipping bars. The municipality has planned for the refurbishment of the 45 skips which will extend their life span to another 5 years.



After the amalgamation with Vulamehlo in 2016 the scope of refuse removal was increased from 10 wards to 19 wards with all the wards added to the municipality being rural and not contributing to the rates revenue stream. Council needs to consider the procurement of additional skips that will be strategically placed in areas that will be identified for communal dumping so that the refuse removal service is extended to rural areas.

Interruptions in the refuse removal service were experienced during the 1st quarter of the financial year due to labour unrests. The municipality received a non-compliance notice from EDTEA amidst the unrest. The municipality developed a plan to eradicate the refuse removal backlog for implementation.



## HUMBERDALE LANDFILL SITE

Umdoni Local Municipality established a landfill site in 2000 to cater for waste that is generated within the municipal jurisdiction. The landfill site accepts domestic, garden refuse and builders rubble. Cell 1 of the landfill site has a capacity of 244 000m<sup>3</sup> with a life span that was to end in 2012. With effective management this lifespan was extended to July 2027.

Compliance on the landfill site is monitored in line with the permit that was issued by the Department of Water Affairs & Forestry. Due to the fact that the life span of Cell 1 will end in 2027, the municipality will ensure feasibility of operation of Cell 2 before 2027 by conducting a conditional assessment and implementing its recommendations to ensure that cell 2 is ready for operation by 2027. The municipality will also embark on the process of acquiring an updated Waste Management License by the end of 2026.

As at 30 September 2025 the internal audit report on the compliance of landfill site indicated a score of 81.15% which means that the landfill site was compliant with the permit.



## 3.5 HOUSING PROVISION

Umdoni Municipality is a predominantly rural municipality with people's homes mostly built along the road and very few scattered across hilly terrain. This linear pattern makes it easier for provision of water and other Bulk infrastructure services. The residents have fairly good enough space to build or further sub-divide the land to their children and grandchildren. However, there are other residents who have homes still built on hilltops which might be difficult for the contractors to move material during construction phase and some sites are located next to bulks

servitudes e.g. Eskom power lines which poses a risk and non-compliance challenge.

## **UMDONI HOUSING PROJECTS ON CONSTRUCTION STAGES**

### **MALANGENI HOUSING PROJECT**

The Malangeni Rural Housing Project entails construction of 500 housing units and VIP's and installation of rainwater harvesting tanks in Ward 7, 8, 9 & 11. The project has been completed pending close-out report from the Implementing Agent.

### **AMAHLONGWA PHASE 1 HOUSING PROJECT**

The Amahlongwa Rural Housing Project entails construction of 500 housing units and VIP's and installation of rainwater harvesting tanks in Ward 16 & 18 of Umdoni Municipality. The project has been completed and housing units handed over to beneficiaries.

### **AMAHLONGWA PHASE 2 HOUSING PROJECT**

The Amahlongwa Rural Housing Project entails construction of 300 housing units and VIP's and installation of rainwater harvesting tanks in Ward 16 & 18 of Umdoni Municipality.

The project is on construction stage with 17 units constructed. The project is on hold due to lack of funding from the Department of Human Settlements.

### **AMANDAWE HOUSING PROJECT**

The Amandawe Rural Housing Project entails construction of 300 housing units the VIP toilets and installation of rainwater harvesting tanks in Ward 14, 16, & 17 of Umdoni Local Municipality.

The total number of 221 units have been completed and handed over. The topography of the area is a major challenge as there are sites that are regarded as unbuildable due to inaccessibility to certain sites. The project is currently on hold due to financial constraints of the Department of Human Settlements.

### **KWA-CELE HOUSING PROJECT**

The Kwa-Cele Rural Housing Project entails construction of 300 housing units and VIP's and installation of rainwater harvesting tanks in Ward 17, 18 & 19 of Umdoni Municipality

The project is on construction stage with 71 units completed and handed over to beneficiaries. The project is currently on hold due to financial constraints from the Department of Human Settlements.

### **VULAMEHLO PHASE 2 HOUSING PROJECT (MISTAKE FARM)**

The Vulamehlo Phase 2 Rural Housing Project entails construction of 500 housing units and VIP's and installation of rainwater harvesting tanks in Ward 6 of Umdoni Municipality.

The total number of 350 housing units were completed and handed over. The Tripartite Agreement for the construction of the remaining 150 units was signed by

all parties however construction could not commence due to lack of funding from the Department of Human Settlement. The project is currently on hold.

### **VULAMEHLO WARD 5 & 7 RURAL HOUSING PROJECT**

The Vulamehlo Ward 5 & 7 Rural Housing Project entails construction of 2000 housing units and VIP's and installation of rainwater harvesting tanks in Ward 1, 2,3,6 &19 of Umdoni Municipality

The total number of 1486 housing units were completed and handed over to beneficiaries. The project is currently on hold due to lack of funding from the Department of Human Settlements

### **IFafa GLEBE REHABILITATION PROJECT**

The Ifafa Glebe Rehabilitation Housing Project entails construction of housing units and demolition of old inhabitable structures in Ward 7, 8 & 9 of Umdoni Municipality.

The project was approved on phased approach with phase 1 being construction of 300 units.

The total number of 143 housing units have been constructed. The project is currently on hold due to lack of funding from the Department of Human Settlements

### **HOUSING PROJECTS ON PLANNING STAGES**

Project Name	Ward	Number of Units
Farm Abrahams	10	300

<b>Umzinto Detailed Planning &amp; Interim Services</b>	12 & 13	1664
<b>China Town</b>	15	36
<b>Amahlongwa Phase 3 Rural Project</b>	16 & 18	1000
<b>Dududu Phase 2 (Ward 1,2,3) Rural Projects</b>	1,2 & 3	1500
<b>Dududu Phase 2 (Ward 4,5 &amp; 6)</b>	4,5 & 6	1500

### **TITLE DEED RESTORATION PROJECT**

The Tittle Deed Restoration Programme aims at ensuring home ownership by rightful beneficiaries. Umdoni Municipality is embarking on tittle deed programme for the following projects: -

- Ifafa Glebe – 1863 units
- Riverside Park – 312 units
- Ghandinager – 68

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

The Municipality has an Indigent Policy which sets out criteria that needs to be met in order to qualify for relief in the form of an indigent rebate for rates, Refuse and Free Basic Electricity charges. The Indigent Policy is reviewed on an annual basis in the following matters: -

- a) The rates reduction is 295 000.00 of value of the property
- b) No charges for refuse removal
- c) Free Basic Electricity in accordance with the annual Eskom Tariff

The Indigent Register of the municipality is reviewed on a 3-year cycle. The current cycle ends on 30 June 2024.

Rates	Refuse Removal
Total No. of Indigents: 992	
Budget for Indigents: R2 689 456	Refuse Budget for Indigents: R736 273
Expense for Indigents: R1 744 443	Refuse expense for Indigents: R723 137

Free Basic Electricity
Number of FBE: 1326
Number of Conventional meters: 260
Number of Prepaid meters: 1066

## COMPONENT B: ROAD TRANSPORT

### 3.7 ROADS

A number of Roads have been either upgraded, resurfaced or rehabilitated within Umdoni Municipality however there are still roads that need intervention and rehabilitation as they have reached the last years of their life span within the Urban areas.

Challenges are experienced with regards to intergovernmental relations and proper communication channels when it comes to the rehabilitation of roads that fall within the jurisdiction of the Provincial Department of Transport, whereby the Municipality does not have access to plans that the Department of Transport has with regards to the rehabilitation of its roads that are within Umdoni, therefore it becomes difficult to achieve integrated planning and also provide feedback to the community.

Umdoni Municipality roads infrastructure is very old and has a history of being badly maintained. The aging roads infrastructure and requires immediate intervention through and intensive roads maintenance programme.

### URBAN ROADS REHABILITATION

The municipality made a budget allocation of R9 451 227,00 for the rehabilitation of Hazelwood Road. As at 30 June 2024, 1.1 Km of Hazelwood Road was rehabilitated. The municipality also allocated a budget of R15 548 773,00 for the maintenance of

pavements and the Stormwater management system as per the conditional assessment.

### **STEEP HILLS & STORMWATER MAINTENANCE PROGRAMME**

R15 000 000 was allocated for the upgrade of steep hills in rural areas as well as maintenance of Stormwater management system. As at 30 June 2024 only 4.8% of the rural Stormwater management system was maintained. Challenges of breakdown of yellow plant were reported as reasons for variance and the provision for leasing of yellow plant to complete the programme in 2024/2025 as a planned corrective action.

### **REGRAVELLING OF MYEZA ROAD (WARD 14)**

This project has an MIG allocation of R4 044 289.87 The project entailed a re-gravelling and betterment of a 1.1km long x 5m width gravel road. The completed works include bulk earthworks, processing layer works, a finished wearing course surface, thick reinforced concrete surface on steep gradients, associated Stormwater drainage, installation of gabions, guardrails and road signs.



### **UPGRADING OF SMOLO ROAD FROM GRAVEL TO ASPHALT**

This is a multi-year project with an MIG allocation of R 18 080 491.89

The project entailed the upgrade of 1.95km long x 5m width gravel road to asphalt surface. Works completed as at the end of financial year were bulk earthworks, processing of all layer works, laying of asphalt, installation of kerbing and channelling, gabions, road signs, guardrails and road marking.



#### RE-GRAVELLING OF HLONGWA ACCESS ROAD (WARD 04)

The re-gravelling of Hlongwa Access Road is a Disaster Grant funded project that has an allocation of R1 800 000. Vangisa Projects was appointed on a turnkey basis to conduct repairs on a 1.6 km long x 6m wide gravel road by processing layer works for a finished wearing course surface, construct drains and chutes for Stormwater maintenance. As at 30 June 2024 progress on construction at Hlongwa Access Road was at 65%.



### **VUKAPHI ACCESS ROAD (WARD 5)**

The re-gravelling of Vukaphi Access Road is a Disaster Grant funded project that has an allocation of R1 900 000. Vangisa Projects was appointed on a turnkey basis to conduct repairs on a 1.3 km long x 6m wide gravel road by processing layer works for a finished wearing course surface, construct drains and chutes for Stormwater maintenance. A thick reinforced concrete pavement/surface is constructed in sections where the gradient is steep. As at 30 June 2024 progress on construction at Vukaphi Access Road was at 65%.



### **MPHEMBA ROAD (WARD 6)**

The re-gravelling of Vukaphi Access Road is a Disaster Grant funded project that has an allocation of R1 200 000. Vangisa Projects was appointed on a turnkey basis to conduct repairs on a 0.3 km long x 5m wide gravel road by processing layer works for a finished wearing course surface, construct drains and chutes for Stormwater maintenance. A thick reinforced concrete pavement/surface is constructed in

sections where the gradient is steep. As at 30 June 2024 progress on construction at Mphemba Access Road was at 54%.



### **SHANGE ACCESS ROAD (WARD 8)**

The re-gravelling of Shange Access Road is a Disaster Grant funded project that has an allocation of R1 300 000. Vangisa Projects was appointed on a turnkey basis to conduct repairs on a 1.3 km long x 6m wide gravel road by processing layer works for a finished wearing course surface, construct drains and chutes for Stormwater maintenance. A thick reinforced concrete pavement/surface is constructed in sections where the gradient is steep. As at 30 June 2024 progress on construction at Shange Access Road was at 100%.



#### **MPHEMBA ACCESS ROAD (WARD 14)**

The re-gravelling of Mphemba Access Road is a Disaster Grant funded project that has an allocation of R1 300 000. Vangisa Projects was appointed on a turnkey basis to conduct repairs on a 0.4 km long x 5m wide gravel road by processing layer works for a finished wearing course surface, construct drains and chutes for Stormwater maintenance. A thick reinforced concrete pavement/surface is constructed in sections where the gradient is steep. As at 30 June 2024 the construction progress on the re-gravelling of Mphemba Access road was 100% complete.

#### **HAZELWOOD AREA GRAVEL ROADS (WARD 13)**

The re-gravelling of Vukaphi Access Road is a Disaster Grant funded project that has an allocation of R300 000. Vangisa Projects was appointed on a turnkey basis to conduct repairs on a 0.3 km long x 5m wide gravel road by constructing a thick reinforced concrete pavement/surface is constructed in sections where the gradient is steep. As at 30 June 2024 the construction progress on the re-gravelling of Hazelwood Area gravel roads was 100% complete.



### BUSHY GROVE (WARD 15)

The rehabilitation of Bushy Grove Road is a Disaster Grant funded project that has an allocation of R1 600 000. Vangisa Projects was appointed on a turnkey basis to conduct repairs on a rehabilitation of a 0,430km x 7m width road, processing of the base layer works and laying of an asphalt layer. As at 30 June 2024 the construction progress on the rehabilitation of Bushy Grove road was 100% complete.



### 3.8 TRANSPORT

#### MOTOR VEHICLE LICENSING

The offices are situated in Scottburgh and perform registration and licensing of motor vehicles as an agency for the Department of Transport.

The following table indicates that income that was received from July 2023 to June 2024:

DATE	UMDONI(R)	DOT(R)	No of Transp.
July 2023	R 199 275.10	R 1.993.275.10	5921
August 2023	R194 616.00	R2 700 894.95	7253
September 2023	R 248.875.10	R3047 327.30	7437
October 2023	R220 552.96	R2 397 567.80	6701
November 2023	R220 552.96	R2 205 529.60	6357
December 2023	R228 360.00	R2 283 604.85	6947
January 2024	R227 126.85	R2 271 268.45	7673
February 2024	R235 196.13	R2 351 862.30	6712
March 2024	R 190 909.76	R1 909 097.60	5435
April 2024	R 196 946.47	R1.96 9464.70	5229
May 2024	R148 073.62	R1 480 736.20	4409
June 2024	R 177 682.05	R 1.776 822.95	4745
<b>TOTAL</b>	<b>R 2.398 344.95</b>	<b>R25 827 406.50</b>	<b>74 819</b>

#### DRIVERS LEARNERS & TESTING CENTER

This office is situated in Umzinto and offers the following services:

- 1) Renewal of drivers Licence and PrDP's
- 2) Testing of Learners Licence
- 3) Testing of driver's licence

**STATISTICS – JULY 2023 TO JUNE 2024**

<b>Drivers Licence – Codes C/C1 &amp; EC</b>	<b>Total</b>
Total Booked	2602
Passed	2158
Failed + Failed to Arrive	450

<b>Drivers Licence – Code B</b>	<b>Total</b>
Total Booked	154
Passed	112
Failed + Failed to Arrive	42

<b>Learners Licence</b>	<b>Total</b>
Total Booked	1524
Passed	846
Failed + Failed to Arrive	678

**TOTAL REVENUE**

<b>Type</b>	<b>Number</b>	<b>Revenue</b>
-------------	---------------	----------------

Drivers Booking – HMV	3377	R 1013 100.00
Drivers Booking – LMV	183	R 45 750.00
Drivers issue – Including Card Application	6388	R 1063 270.00
Learners Licence Booking	1524	R 1125 570.00
Learners Licence Issue	846	R 50 760.00
PRDP	643	R 74 085.00
Instructors Permit Application	N/A	N/A
Instructors Permit Issue	N/A	N/A
TDL	4721	R 159 660.00
Duplicate Learners Licence	56	R 4480.00
RWC Application		
RWC Issue		
<b>Total Revenue</b>		<b>R 3 586 760.00</b>

## COMPONENT C: PLANNING & DEVELOPMENT

### 3.10 PLANNING & DEVELOPMENT

This section ensures sustainable development by assessing building plans and recommending approval with due regard to legislation, quality standards and appropriateness, to provide quality hands on service to all our customers for a well-managed sustainable built environment.

Building Control is divided into two sections: -

- a) Plans Assessment
- b) Building Inspectorate

The overall purpose of the Building Control Section is to conduct inspections on major impact developments to: -

- a) Ensure compliance with the National Building Regulations and SANS10400;
- b) Ensure compliance with the Public Health and Safety Requirements
- c) Conduct appropriate enforcement action in instances of non-compliance
- d) Umdoni Town Planning Scheme
- e) National Environment Management Act
- f) Municipal By-Laws and Policies

Recommend either the approval or refusal of building plan applications in terms of the delegated authority by assessing the application in terms of the National Building Regulations and SANS10400 and provide a recommendation to the General Manager: Planning & Development

**APPLICATIONS RECEIVED BY THE PLANNING AND DEVELOPMENT DEPARTMENT 1 JULY 2024 – 30 JUNE 2025**

**APPLICATION FOR THE RELAXATION OF BUILDING LINE, REAR/SIDE SPACE IN TERMS OF THE UMDONI SCHEME**

<b>No.</b>	<b>Date received</b>	<b>Description of property</b>	<b>Physical address</b>	<b>Type of application</b>	<b>Status</b>	<b>Vote number</b>	<b>Tariffs of charges (paid)</b>
1.	02-Jul-24	Erf 834 Pennington	73 MARLIN DRIVE	Special Consent (Relaxation Application)	APPROVED	1 370 9122	R 1 602
2.	09-Jul-24	Erf 30 Park Rynie	PRESTON ROAD	Special Consent (Relaxation Application)	APPROVED	1 370 9122	R 1 602
3.	10-Jul-24	Erf 569 Pennington	26A CHERRY LANE	Special Consent (Relaxation Application)	APPROVED	1 370 9122	R 1 602
4.	02-Sept-24	Erf 919 Pennington	5 BREAM ROAD	Special Consent (Relaxation Application)	APPROVED	1 370 9122	R 1 602
5.	02-Sept-24	Erf 321 Pennington	15 ADRIENNE AVENUE	Special Consent (Relaxation Application)	APPROVED	1 370 9122	R 1 602
6.	02-Sept-24	Erf 564 Pennington	36 CHERRY LANE	Special Consent (Relaxation Application)	APPROVED	1 370 9122	R 1 602
7.	11-Sept-24	Rem of Erf 274 Park Rynie	SMITH STREET	Special Consent (Relaxation Application)	APPROVED	1 370 9122	R 1 602
8.	27-Sept-24	Erf 571 Pennington	22 CHERRY LANE	Special Consent (Relaxation Application)	APPROVED	1 370 9122	R 1 602
9.	28-Sept-24	Erf 744 Scottburgh	18 CORDINER STREET	Special Consent (Relaxation Application)	APPROVED	1 370 9122	R 1 602
10.	02-Oct-24	Erf 781 Pennington	6 COD CRESCENT	Special Consent (Relaxation Application)	APPROVED	1 370 9122	R 1 602

No.	Date received	Description of property	Physical address	Type of application	Status	Vote number	Tariffs of charges (paid)
11.	04-Oct-24	Erf 377 Mtwalumi	MTWALUMI NO. 377	Special Consent (Relaxation Application)	APPROVED	1 370 9122	R 1 602
12.	17-Oct-24	Erf 464 Park Rynie	73 THIRD STREET	Special Consent (Relaxation Application)	APPROVED	1 370 9122	R 1 602
13.	24-Oct-24	Erf 481 Umzinto	3 LILY ROAD	Special Consent (Relaxation Application)	APPROVED	1 370 9122	R 1 602
14.	31-Oct-24	Erf 1444 Scottburgh	39 LAGOON DRIVE	Special Consent (Relaxation Application)	APPROVED	1 370 9122	R 1 602
15.	04-Nov-24	Erf 47 Bazley	106 RIDGE ROAD	Special Consent (Relaxation Application)	APPROVED	1 370 9122	R 1 602
16.	04-Nov-24	Erf 494 Park Rynie	PARK RYNIE NO. 494	Special Consent (Relaxation Application)	APPROVED	1 370 9122	R 1 602
17.	13-Nov-24	Erf 1358 Umzinto	FALCON ROAD	Special Consent (Relaxation Application)	APPROVED	1 370 9122	R 1 602
18.	19-Nov-24	Erf 539 Scottburgh	8 LANDERS CRESCENT	Special Consent (Relaxation Application)	APPROVED	1 370 9122	R 1 602
19.	22-Nov-24	Erf 295 Pennington	5 BOTHA PLACE	Special Consent (Relaxation Application)	APPROVED	1 370 9122	R 1 602
20.	25-Nov-24	Erf 61 Bazley	97 RIDGE ROAD	Special Consent (Relaxation Application)	APPROVED	1 370 9122	R 1 602
21.	28-Nov-24	Erf 447 Scottburgh	22 ANN ARBOR ROAD	Special Consent (Relaxation Application)	APPROVED	1 370 9122	R 1 602
22.	15-Nov-24	Remainder of 156 Mtwalumi	RURAL ROAD -FARMS	Special Consent (Relaxation Application)	APPROVED	1 370 9122	R 1 602
23.	05-Dec-24	Rem of Erf 331 Umzinto	136 MAIN ROAD UMZINTO	Special Consent (Relaxation Application)	APPROVED	1 370 9122	R 1 602

No.	Date received	Description of property	Physical address	Type of application	Status	Vote number	Tariffs of charges (paid)
24.	13-Dec-24	Erf 1016 Pennington	12 BARRACOUTA BEND	Special Consent (Relaxation Application)	LAPSED	1 370 9122	R 1 602
25.	13-Dec-24	Erf 384 Scottburgh	10 RAHLE ROAD	Special Consent (Relaxation Application)	LAPSED	1 370 9122	R 1 602
26.	31-Dec-24	Erf 408 Park Rynie	44 THIRD STREET	Special Consent (Relaxation Application)	APPROVED	1 370 9122	R 1 602
27.	25-Jan-25	Erf 324 Scottburgh	8 LINDSAY DRIVE	Special Consent (Relaxation Application)	APPROVED	1 370 9122	R 1 602
28.	03-Feb-25	Erf 3 Sezela	4 MSINSI AVENUE	Special Consent (Relaxation Application)	APPROVED	1 370 9122	R 1 602
29.	12-Feb-25	Erf 110 Elysium	91 COWRY DRIVE	Special Consent (Relaxation Application)	APPROVED	1 370 9122	R 1 602
30.	12-Feb-25	Erf 111 Elysium	89 COWRY DRIVE	Special Consent (Relaxation Application)	APPROVED	1 370 9122	R 1 602
31.	18-Feb-25	Erf 328 Umzinto	160 MAIN ROAD UMZINTO	Special Consent (Relaxation Application)	APPROVED	1 370 9122	R 1 602
32.	27-Feb-25	Erf 672 Scottburgh	28 ALLEN STREET	Special Consent (Relaxation Application)	APPROVED	1 370 9122	R 1 602
33.	27-Feb-25	Erf 673 Scottburgh	30 ALLEN STREET	Special Consent (Relaxation Application)	APPROVED	1 370 9122	R 1 602
34.	04-Mar-25	Erf 394 Scottburgh	51 BERMUDA WAY	Special Consent (Relaxation Application)	APPROVED	1 370 9122	R 1 602
35.	05-Mar-25	Erf 712 Pennington	14 SHAD ROAD	Special Consent (Relaxation Application)	APPROVED	1 370 9122	R 1 602
36.	04-Apr-25	Erf 1382 Umzinto	FALCON ROAD	Special Consent (Relaxation Application)	APPROVED	1 370 9122	R 1 602

No.	Date received	Description of property	Physical address	Type of application	Status	Vote number	Tariffs of charges (paid)
37.	07-May-25	Erf 1358 Umzinto	FALCON ROAD	Special Consent (Relaxation Application)	APPROVED	1 370 9122	R 1 602
38.	13-May-25	Erf 827 Umzinto	10 MERCURY AVENUE	Special Consent (Relaxation Application)	APPROVED	1 370 9122	R 1 602
39.	13-May-25	Erf 239 Scottburgh	12 DAVALLEN ROAD	Special Consent (Relaxation Application)	APPROVED	1 370 9122	R 1 602
40.	23-Jun-25	Erf 379 Mtwalumi	MTWALUMI NO. 379	Special Consent (Relaxation Application)	APPROVED	1 370 9122	R 1 602
41.	26-Jun-25	Erf 723 Pennington	1 OYSTER AVENUE	Special Consent (Relaxation Application)	APPROVED	1 370 9122	R 1 602
42.	26-Jun-25	Erf 83 Ifafa	13 STOTT STREET	Special Consent (Relaxation Application)	APPROVED	1 370 9122	R 1 602
						Total	<b>R 67 284</b>

**SPECIAL CONSENT APPLICATIONS IN TERMS OF UMDONI SPLUMA BY-LAWS**

No.	Date received	Property description	Physical address	Type of application	Status	Vote number	Tariffs of charges (paid)
1.	29-Aug-24	Erf 1255 Pennington	4 PENNINGTON DRIVE	Special Consent (Tellecommunication Mast)	APPROVED	1 370 9121	R 7 719
	14-Apr-25	Farm 16581 Mbhele	Farm 16581 Mbhele	Special Consent (Tellecommunication Mast)	PENDING	1 370 9121	-
	13-May-25	Portion 219 (of 48) of the Farm Lot 12	Ptn 219 Lot 14 No. 1664	Special Consent (Place of Public Assembly)	APPROVED	1 370 9121	R 7 719
						<b>Total</b>	<b>R 15 438</b>

**REZONING APPLICATIONS IN TERMS OF SPLUMA**

No.	Date received	Property description	Physical address	Type of application	Status	Vote number	Tariffs of charges (paid)
	01-Apr-25	Erf 32 Savillert hope	PRESTON ROAD	Rezoning Application	Awaiting MPT Decision	1 370 9114	R 4 631
						<b>Total</b>	<b>R 4 631</b>

**COMBINED APPLICATIONS IN TERMS OF THE UMDONI COAST SPLUMA BY-LAWS**

No.	Date received	Property description	Physical address	Type of application	Status	Vote number	Tariffs of charges (paid)
1.	11-Oct-24	Erf 2215 Scottburgh	Renishaw Hills	Combined	APPROVED	1 520 9215	There are no municipal charges for the application
						<b>Total:</b>	<b>Nil</b>

**ALTERATION, SUSPENSION AND DELETION OF CONDITION OF TITLE RELATING TO LAND APPLICATIONS IN TERMS OF SPLUMA**

<b>No.</b>	<b>Date received</b>	<b>Property description</b>	<b>Physical address</b>	<b>Type of application</b>	<b>Status</b>	<b>Vote number</b>	<b>Tariffs of charges (paid)</b>
	01-Apr-25	Erf 32 Savillert hope	PRESTON ROAD	Amendment of Condition	PENDING	1 509 215	R 2 916
<b>Total</b>							<b>R 2 916</b>

**CONSOLIDATION APPLICATIONS IN TERMS OF SPLUMA**

<b>Application number</b>	<b>Date received</b>	<b>Property description</b>	<b>Physical address</b>	<b>Type of application</b>	<b>Status</b>	<b>Vote number</b>	<b>Tariffs of charges (paid)</b>
	31-Jan-25	Erf 52 and Erf 53 Kelso	KELSO NO. 52	Consolidation	APPROVED	1 370 9113	R 1 759
<b>Total</b>							<b>R 1 759</b>

### 3.11 LOCAL ECONOMIC DEVELOPMENT

Umdoni Local Municipality IDP identifies Local Economic Development as one of the municipality's strategic goals, as well as sustainable community investment programmes. It emphasizes the integration of support to local economy from various agencies such as the UGU South Coast Tourism & Investment Enterprise

#### VISION

To promote a **diversified, integrated** and **sustainable** local economy ensuring **job creation, economic viability** and ultimately ensuring a **better quality of life** for all its citizens

#### STRATEGIC OBJECTIVES

*Expanding, rejuvenating and diversifying the tourism sector*

*Facilitating growth and expansion of the manufacturing sector*

*\*Enhancing and diversifying the agricultural sector*

*providing support to the SMMEs*

*Expanding the skills base*

*Developing sustainable LED institutional structures*

*\* Facilitating targeted spatial interventions.*

#### THE COMPARATIVE ADVANTAGES IDENTIFIED FOR UMDONI LM ARE:

- The tourism sector provides comparative advantage.
- Strategic location of Umdoni Local Municipality needs to be exploited and other comparative advantages to achieve economic development. Umdoni Local Municipality is located along the N2 and forms part of the South Coast Ribbon Development
- The environmental assets of Umdoni are clearly the main attraction of the area and provide a strong comparative advantage. These assets include the beaches and sea which provide recreational activities such as surf and rock fishing, deep-sea fishing, tidal pools, surfing and scuba diving.

- Carvelo indicates that the mining, manufacturing and business services sectors have a comparative advantage in their respective sectors. This indicates that these sectors are out performing their respective sectors at district level and thus, play a major role in the development and growth of the local and district economies.

#### TOURISM

Tourism is not an economic sector on its own, but forms part of other sectors, especially the trade, transport and finance sectors. However, due to its importance as an income and employment generator, it is believed that this sector should be discussed separately from the other sectors.

Tourism includes travel for a variety of reasons, amongst others leisure and recreation, business, education, health and healing, religious pilgrimages, sport, visiting friends and relatives, meetings and conferences.

The tourism sector is increasingly being recognised as an industry which has the economic potential to contribute to the reduction of poverty in developing countries and in remote rural areas, particularly as a result of its labour intensive nature, as well as the fact that many of the natural and heritage attractions are located in these rural areas, giving them a comparative advantage. There are a number of reasons why tourism is especially suitable for economic development in the least developed countries, and by extension rural areas, and include:

- Tourism is consumed at the point of production, which means that the tourist has to go to the destination, opening up opportunities for local businesses and ensuring local benefits
- Tourism is a more diversified industry than many others, allowing linkages with and support for other economic activities
- Tourism is labour intensive and supports a wide range of skills
- It creates opportunities for small and micro entrepreneurs

- Apart from the material benefits, tourism also provides the poor with cultural pride, creating greater awareness of the natural environment and its economic value
- The infrastructure required by tourism can also benefit poor communities.

Various tourism activities include:

- ✚ Coastal Hotels
- ✚ Caravan and Camping Parks/resorts (including water slides, large tidal pool, excellent surf, mini golf)
- ✚ Bed and Breakfasts
- ✚ Guest Houses
- ✚ Tour Operators
- ✚ Self-Catering establishments
- ✚ Holiday apartment and Cottage lets
- ✚ Tourism Events (Scottburgh Spring Festival and Sani2C mountain bike race)
- ✚ Restaurants
- ✚ Coastal Economy
- ✚ Fishing and Diving charters (rock fishing, deep sea fishing charters, scuba diving)
- ✚ Beach amenities

Current tourism products and services in Umdoni offer a variety of activities right throughout the year, although statistics from the KZN Tourism Master Plan had indicated that international tourists visit the province with high peaks during South African summer's, whereas local tourist had preferred to visit the South Coast during the June and July winter months. Therefore, there are still various areas of potential that can be developed to further develop tourist attractions surrounding the natural features that can be exploited to further create potential growth, and increased visitors throughout the year.

## 2023/2024 LED PROGRAMMES

### MUNICIPAL EMPLOYMENT INITIATIVE

The Umdoni Municipality, collaborated & partnered with KZN Department of Economic Development, Tourism & Environmental Affairs to implement a Municipal Employment Initiative (MEI) whereby the municipality has to identify, evaluate, fund and support small enterprises in their area of jurisdiction through a fair and transparent process to create job opportunities and stimulate local economic development and within the formal sectors that will target vulnerable groups in rural and township areas. The MEI programme has supported 40 businesses from all ward of Umdoni in the 2023/2024 financial year. The programme targets/supports all sectors (i.e. Manufacturing, Agriculture) with working implements to improve growth and productivity in the business.





## BUSINESS LICENSING 2024/2025

Business licenses are issued when new businesses open or for a change of ownership. Approval from various sections, namely Town Planning, Building Inspectorate, Health, and Fire Sections, is a prerequisite. Licenses will only be issued when the businesses are fully compliant with all Regulations.

The LED Section issued the following business licenses between July 2024 and June 2025

Business Name	Date of Issue
Pedros Chicken- Umzinto	23 September 2024
Check save Kenterton	21 May 2025
H Mohammed General Dealer	23 May 2025
Checkers Liquor – Scottburgh Mall	27 May 2025
Superette & Fruits and Vegetables	11 June 2025

## COMPONENT D: COMMUNITY & SOCIAL SERVICES

### 3.12 LIBRARIES & COMMUNITY FACILITIES

Umdoni Municipality has eight (8) operational public libraries the Scottburgh, Ifafa, Sezela, Pennington, Park Rynie, libraries are situated along the coast and the Malangeni, Shayamoya, and Umzinto are situated further inland. The public library is the community facility where individuals gather to explore, interact, and imagine. Our Libraries add value to our communities and serve as cultural centres for our diverse patrons. The libraries are there assisting in educational and recreation of the surrounding individuals and communities. They are the essential components of our community. The Umdoni libraries provide resources and services in a variety of media to meet the needs of individuals and groups for education, information and personal development including recreation and leisure. The libraries are funded by the provincial Department of Sports, Arts and Culture. The funds are categorised into two grant and provincialisation that aiming to support the activities per library. The library system is used to circulate, generate the monthly statistics, membership statistics, enrolling new and renewal of patrons and an OPAC that helps to search and find information.

#### LIBRARY BOOK EXCHANGES

Book exchanges are done quarterly at library services South Coast depot by the libraries. The purpose for book exchange is to develop the collection to meet the users' needs for each library as all the library stock received and purchase by the department. The librarians are able to recommend to the depot which books to buy for their libraries

Date	Library	Venue	Purpose
06/08/2024	Scottburgh	South Coast Depot	Collection development
26/10/2024	Scottburgh	South Coast Depot	Collection development

Date	Library	Venue	Purpose
27/10/2024	Park Rynie & Sezela	South Coast Depot	Collection development
25/10/2024	Malangeni & Pennington	South Coast Depot	Collection development
28/10/2024	Umzinto, Ifafa & Shayamoya	South Coast Depot	Collection development
03/02/2025	Malangeni	South Coast Depot	Collection development
04/02/2025	Scottburgh	South Coast Depot	Collection development
05/02/2025	Park Rynie & Sezela	South Coast Depot	Collection development
10/02/2025	Umzinto, Ifafa & Pennington	South Coast Depot	Collection development

Table 3.12: Book Exchanges

#### TRAININGS

SLIMS user group trainings are facilitated by the DSAC in order to refresh and to share the news developments in the systems used by the librarians.

Date	Attendees	Venue	Purpose
10-11 September 2024	Librarians	Virtual	Library operations
19 September 2024	Librarians	Port Shepstone Library	Systems updates
30 September 2024	Librarians	Pietermaritzburg	Systems updates

## UMDONI LIBRARIANS MEETINGS

Dates	Librarians	Venue	Purpose
16 August 2024	Umdoni librarians	Scottburgh library	To share experiences, problems & solutions which could help in running of the libraries
14 November 2024	Umdoni librarians	Scottburgh library	To share experiences, problems & solutions which could help in running of the libraries
15 January 2025	Umdoni librarians	Scottburgh library	To share experiences, problems & solutions which could help in running of the libraries
05 March 2025	Umdoni librarians	Scottburgh library	To share experiences, problems & solutions which could help in running of the libraries

### Interest Group Forum

The meeting serves as a training platform for public librarians and to share experiences, problems and solutions which could help them in managing a more efficient library service:

- First quarter (July, August and September) 16 August 2024 Portshepstone Public library
- Second quarter (October, November and December) 22 November 2024 at Scottburgh library
- Third quarter (January, February, March) 14 February 2025 at Harding library
- Fourth quarter – (April, May, June) 16 May 2025 Uvongo library

### Administration

The librarians keep record of their admin work in the following files:

Lost and paid items

Defaulters

Membership

Asset registers

Invoices

Financials

Monthly and quarterly reports

### Outreach Projects, programs and library activities

Outreach programmes: are done regularly in various schools as was a target to be met according to SDBIP. The chief librarian has a plan to have these programmes ongoing in order to promote and an awareness of the services offered in the libraries.

**Staffing:** The vacant positions for the librarians, library assistants and general assistants to be filled. The library vacant posts should be filled as the DSAC does assist with the funding.

**Reporting:** Each library is required to submit a monthly report to the Chief librarian and quarterly reports to library services. Other reports such as lost and paid, defaulters, etc. are submitted when requested or when necessary. The quarterly report on expenditure of the grant funding is to be submitted to library services every quarter by the municipal budget officer. A close out report and business plan are submitted at the end of financial year to library services.

**Stock take:** It is requested by library Services that regular stock takes be done as library material is now considered small assets. Only a 5% loss per library will be allowed and over and above that, the municipality will have to bear the costs of the loss.

**Pest control** is done once a year for each library, which is a requirement by library services. The libraries have been sprayed for pest control to conserve and preserve the library material.

**Building maintenance:** Maintenance of library buildings is on-going and minor maintenance is being attended to. Assistance is provided by library services for major renovations and maintenance depending on the nature of the problem. Leaking roofs are given priority. The minor maintenance of ablution facilities was done at Vulamehlo and Scottburgh library. The Pennington library roof leaks was repaired.

**SDBIP:** Maintenance of two libraries. The electrical repairs of electrical lights and plugs in various libraries (Malangeni, Pennington, Scottburgh, Shayamoya, Umzinto and Vulamehlo). The jojo/water tanks bricks stand at Malangeni was built. The installation of jojo tanks at Umzinto and Scottburgh library.

**Reporting:** Each library is required to submit a monthly, quarterly and annual report to their supervisor as well as to library services. Other reports such as lost and paid, defaulters, etc. are submitted when requested or when necessary. Quarterly report

on expenditure of the grant funding is submitted to library services every quarter. A close out report and business plan to be submitted to library services.

**Internet and E book services:** All libraries provide free internet services and Wifi as well e-book services to the public. The provision of free internet access to the public is assisting the job seekers as well as the learners to do their school projects and online application to various institutions. This is the most used service in the libraries and often the libraries find it difficult to cope with the influx of members to this service.

## LIBRARY ACTIVITIES

An in-house programme conducted in libraries, the activities are meant to promote the culture of reading to the community and the users and to familiarise the children with the library. According to library services Scottburgh and Malangeni library is one of the top ten libraries in KZN. The Scottburgh library is sitting on number two and Malangeni library on number eight.

## SEZELA LIBRARY

The learners from Sezela primary visited the library had an MPOX awareness. The research was conducted in the library. "World read aloud day" that was observed on the 5th of February 2025. It was a great day when Sezela library members, neighbouring school and community members were reading out loud to the library staff members to commemorate the day. This day celebrates the joy of reading aloud and the power of words to bring people together. The Sezela library staff coordinated the programme. The theme for the campaign was "Creating positive experiences for children through reading and stories."



In honour of that week Sezela library hosted the regular patrons for in house activities and created a display that commemorate that week.



## SCOTTBURGH LIBRARY

The learners from Mtholi Primary School visited the Scottburgh library on the 18<sup>th</sup> September 2024 for the library tour. The Scottburgh Library staff did presentations on library rules; services; resources; and how to become a member. The learners were also taught about the importance of using the library and promoted the culture of reading at the younger age.



**Scottburgh library chess competition:** The Saturday 8 February 2025, the Umdoni Municipality Libraries hosted a chess tournament in Scottburgh library. The competition was overseen by the club's president and head coach Mr Nduduzo Muthwa and Mr Smangaliso Mdluli the librarian from Scottburgh library. They were 4 Rounds played by the 20 team members, and from this, three winners emerged. 1st Place Jaden Govender (Amanzimtoti High), 2nd Place Lincoln Joubert (Scottburgh Primary) & 3rd Place (Warner Beach Prep). Overall, chess competitions in libraries are a creative way to engage with people, promote learning, and foster a community, all while supporting the library's role as a cultural and educational centre.



**Scottburgh library tour:** Enkanini Primary grade 7 learners had a library orientation. The library staff explained to the learners the important of becoming a library member and the services offered.



**SCOTTBURGH LIBRARY-** Chess Championship 2025 was held on June 28, 2025, at Scottburgh Library. The competition aimed to encourage strategic thinking, concentration, and sportsmanship among young chess enthusiasts. They were over 20 participants from different schools took part in the event. The tournament

concluded successfully with a prize distribution ceremony. The participants received certificates; medals and trophies.



**Malangeni Library:** The learners from the surrounding is visiting the library after school and on Saturdays to do their school projects. The cyber zone become more effective day by day, the learners utilise the internet cafe for their research projects.



The Easter holiday activities on the 2 April 2025. The various indoor activities were held includes crafting, creative arts, chess and story-telling. The library created

an oracy-based classroom resource that encourages young children the characters they enjoy reading about the most in a way that celebrates the joy of reading for pleasure and sharing books they love.



## READING COMPETITION

According to the DSAC calendar the month of September is considered as literacy month. The KwaZulu-Natal Department of Sport, Arts and Culture and Umdoni Municipality library services held a Reading Competition level 2. The learners were given a book suitable for a grade 4 learner to read. The winners of have to proceed to level 3 that was held in October 2024. The winners for IsiZulu were from Khuphuka Primary-position 1, St Patricks' Primary position 2 & 3. The winners for English were from St Patrick's position 1, Sezela Primary position 2 and Moyeni Primary position 3.



**Umdoni Municipality libraries:** had level 3 reading competition on the 30th October 2024 at Uvongo Civic hall. The top 3 participant for IsiZulu and English participant from Umdoni Municipality. The level 3 was the district competition. The learner from Sezela Primary School was position 1 and the learner from St Patrick Primary School was position 2 in English category. The isiZulu category winners came from St Patrick Primary School. The number one winner represented the district in the province.



## Holiday Programme

The Pennington library held a holiday programme where children from the surroundings were invited. The story telling was being told to the children and some holiday activities were conducted.



**Shayamoya library:** “LIBRARY WEEK” on the 17th -23rd of March 2025 celebrated national library week, in honour of that day Shayamoya library hosted our regular patrons for in house activities The learners from Shayamoya Primary School visited the library, library orientation and reading books were part of the activities.



**DISTRICT LIBRARIES** On the 28th of May 2025, UGU District libraries worked in collaboration with library services in organising a World Play Day at Gamalakhe Public Library. The aim for this event was to leverage the unique resources and spaces of public libraries to foster playful learning and social connection. On this event, there were different activities (board games; TV games; old classic games; etc.).



## COMMUNITY FACILITIES

The table below list all the Community Halls under the jurisdiction of Umdoni and their current status with regards to infrastructure:

List Of Halls	Electricity	Water	Ablution	Security	Fencing
<b>Community Halls</b>					
Amahlongwa Hall	Yes	Yes	Yes	Yes	Yes
Amandawe Hall	Yes	No	Yes	Yes	Yes
Mqiniseni Hall	No	Tank	Yes	No	Yes
Mahlathini Hall	Yes	Tank	No	No	Yes
Malangeni Hall	Yes	No	Yes	Yes	Yes
Shayamoya Hall	Yes	UGU	Yes	Yes	Yes
Dududu Hall	No	No	Yes	Yes	Yes
Mjunundu Hall	No	Tank	Yes	No	No
Umzinto Dinning Hall	Yes	UGU	Yes	Yes	Yes
Ghandinagar Hall	Yes	UGU	Yes	Yes	Yes
Khakhama Hall	No	No	Yes	No	No
Ophondweni Hall	Yes	Tank	Yes	No	Yes
Two-Stick Hall	No	Tank	Yes	No	No
Buhlebezwe Hall	No	Tank	Yes	No	Yes
Mzimlilo Hall	No	Tank	Yes	No	Yes
Mntshingwane Hall	No	No	No	No	No
Dumisa Hall	Renovations in Progress				
Kenterton Hall	Yes	Tank	No	No	Yes
Dumayo Hall	Yes	Tank	Yes	No	Yes

List Of Halls	Electricity	Water	Ablution	Security	Fencing
Kwa Cele Hall	Yes	Tank	Yes	Yes	Yes
Bhadane Hall	Yes	Tank	Yes	No	Yes
Isinqawe Hall	Yes	Tank	Yes	No	Yes
Mistake Farm Hall	Burnt during unrest 2021				
Bhudubhudu Hall	No	Tank	Yes	No	No
Bhewula	Yes	Tank	Yes	No	Yes
Mahlabathini Hall		Tank	Yes	No	No
Masakhane Hall	No	No	No	No	Yes
Mayfield hall	Yes	Tank	Yes	No	Yes
Nkampula Hall	YES	Tank	Yes	Yes	No
Mahlafuna Hall	Yes	Tank	Yes	No	NO
Mafathini Hall	Yes	Tank	Yes	No	Yes
Mphambanyoni Hall	No	Tank	Yes	No	Yes
Mysieland	Yes	Tank	Yes	No	Yes
Pat Cele	No	Tank	Yes	No	Yes
Mbungulu	Yes	Tank	Yes	No	Yes
Dlangezwe	Yes	Tank	Yes	No	Yes
Mayfield (New)	Yes	Tank	Yes	No	Yes
Mashanela Hall	Not officially handedover				
Mandalalathi Hall	No	Tank	Yes		
<b>Town Halls</b>					
Umzinto Hall	Yes	UGU	Yes	Yes	Yes
Scottburgh Town Hall	Yes	UGU	Yes	Yes	Yes

The table below indicates the number of income hires for the 2024/2025 financial year for our community halls.

Number	Name of Hall	Ward	Number of Income Hires
1.	Scottburgh Town Hall	15	0
2.	Umzinto Town Hall	13	26
3.	Umzinto Dining Hall	13	61
4.	Ghandinagar Hall	12	8
5.	Malangeni Hall	8	3
6.	Amandawe Hall	14	6
7.	Amahlongwa Hall	18	6
8.	Shayamoya Hall	11	1
9.	Kwa-Cele Hall	19	7
10.	Bhewula Hall	3	0
11.	Mqiniseni Hall	1	0
12.	Mahlabathini Hall	19	0
13.	Mahlathini Hall	06	0
14.	Dumisa Hall	5	0
15.	Masakhane Hall	5	0
16.	Bhudubhudu Hall	1	0

Number	Name of Hall	Ward	Number of Income Hires
17.	Dumayo Hall	1	1
18.	Vulamehlo Hall	19	0
19.	Isinqawe Hall	4	0
20.	Mntshingwane Hall	1	0
21.	Kenterton Hall	4	2
22.	Mistake Farm Hall	6	0
23.	Bhadane Hall	4	0
24.	Bhuhlebezwe Hall	2	0
25.	Khakhama Hall	2	0
26.	Mzimlilo Hall	1	0
27.	Two Stick Hall	2	0
28.	Ophondweni Hall	2	0
29.	Mjunundu Hall	19	0
30.	Mayfield Hall (Creche)	5	0
31.	Nkampula Hall	3	0
32.	Mahlafuna Hall	5	1
33.	Mafithini Hall	9	0
34.	Mysieland Hall	6	0

Number	Name of Hall	Ward	Number of Income Hires
35.	Mbungulu Hall	6	0
36.	Pat Cele Hall	2	1
37.	Dlangezwa Hall	18	0
38.	Mayfield Hall	5	0
39.	Mphambanyoni Hall	5	0
40.	Mandalalathi Hall	2	0
41.	Mashanela hall	3	0
42.	Mgangeni Hall	4	0

### MAINTENANCE OF HALLS

The following halls were maintained in 2024/ 2025:

- Dududu Hall
- Mahlabathini Hall
- Ghandinagar Hall
- Umzinto Town Hall
- Umzinto Dinning Hall
- Shayamoya Hall
- Amandawe Hall

- Malangeni Hall
- Kenterton Hall
- Bhadane Hall
- Isinqawe Hall
- Mahlathini Hall
- Mafithini Hall
- Bhewula Hall
- Mashanela Hall

### 3.13 CEMETERIES

This unit comprises 4 cemeteries 20 sportsfields, 21 kick-about fields and 3 fully quipped and fenced outdoor gyms.

<b>Number of Burials</b>	53 (25 x Indigent graves)
<b>Cemeteries</b>	<b>Number of Gravesites Available</b>
Scottburgh	Nil
Park Rynie	Nil
Shayamoya	Nil
Humberdale	+340

Table: Cemeteries

## THUSONG CENTRES

The status of the Thusong Centres is as follows:

1. **Malangeni Thusong centre:** This centre is functional and well maintained. Has a hall, four offices which are occupied by the Ward Councillors and Traditional Council, police station and a library.
2. **Dududu Thusong centre:** This centre is not operational and has a library and a hall.

### Maintenance of Thusongs – 2024/2025

- Malangeni Thusong Centre

	Malangeni	Dududu
SAPS	Yes	No
Office	Yes	Yes
Hall	Yes	Yes

### 3.14 CHILDCARE, AGED CARE, SPECIAL PROGRAMMES

Childcare, aged care, and special programs are crucial for the well-being of individuals and society as a whole.

Umdoni is dedicated to supporting the elderly and has allocated funding toward the implementation of initiatives aimed at enhancing their well-being. During the year under review, Umdoni successfully implemented key programs, including the Golden Games in August 2023 and the distribution of Christmas food parcels to the elderly in December 2023.

People living with disabilities are an essential part of our community, and we are committed to fostering an inclusive environment that values their contributions. To this end, we focus on developing programs aimed at raising awareness about disabilities and providing skills development opportunities to empower and support individuals with disabilities.

In September 2023, we conducted disability training sessions, followed by a disability campaign in October 2023, aimed at raising awareness and promoting inclusivity. To further foster inclusion, we hosted a disability sports day in December 2023, celebrating the talents and abilities of individuals with disabilities.

In October 2023, Umdoni hosted a disability talent show, providing a platform for individuals with disabilities to showcase their talents and celebrate their unique abilities in an inclusive and supportive environment.

During Heritage Month, Umdoni supported 300 young girls in attending the Umkhosi Womhlanga Reed Dance. This cultural event, a proud tradition of the Zulu culture, plays a vital role in teaching young girls values of self-respect and the importance of preserving their bodies as they prepare for their future roles in society.



The Umdoni Youth Council made a meaningful donation of traditional attire to Ushuni WaseMzini, an all-youth traditional dance group from the Amandawe area. This gesture underscores the municipality's unwavering commitment to youth development. Recognizing the importance of preserving cultural heritage and empowering young people, it was imperative for us to respond positively to their request and honor our dedication to fostering opportunities for the youth.



## **YOUTH DEVELOPMENT PROGRAMMES**

### **SALGA GAMES & DRESS A CHILD PROGRAMME**

Umdoni's participation in the KZN SALGA Games reflects the municipality's dedication to more than just sport. By showcasing its athletes, Umdoni is actively contributing to regional unity, youth empowerment, and economic development. The Games provide a vital platform for young sportsmen and women to shine, instilling pride in the community, encouraging healthy lifestyles, and strengthening Umdoni's presence in provincial initiatives.

Beyond the sporting arena, Umdoni continues to invest in the well-being of its residents through initiatives such as the Dress a Child School Programme. Through this programme, the municipality purchased school uniforms for disadvantaged learners across various schools in Umdoni. This intervention not only eases the financial burden on struggling families but also ensures that children can attend school with dignity, confidence, and a sense of belonging.

Together, these efforts demonstrate Umdoni's holistic approach to community development and championing both athletic excellence and educational support, while reinforcing its commitment to building resilient, inclusive, and thriving communities.



### **MUSIC EXPERIENCE & MOTIVATION AS WELL AS SOCIAL ILLS**

Umdoni Municipality introduced initiatives such as the Music Experience & Motivation Programme and targeted interventions against social ills to uplift and empower its communities. By investing in these programmes, Umdoni provided young people with creative outlets that nurture talent, build confidence, and encourage positive self-expression. The programmes motivated learners and youth to pursue their passions, while also instilling discipline, teamwork, and resilience and skills that extend beyond the arts into everyday life. Umdoni recognized the

challenges faced by communities, including poverty, unemployment, substance abuse, and crime. These social ills often hinder development and limit opportunities for young people. By tackling social ills head-on, Umdoni is fostering safer, more inclusive communities where residents can thrive. Together, these programmes reflect Umdoni's holistic approach to development that is combining sport, education, culture, and social support. The municipality's vision is to empower its youth, uplift disadvantaged families, and build resilient communities that are united, creative, and free from the barriers of social ills.



## CAREER EXHIBITION, TOP ACHIEVERS & REGISTRATION FEE

The Career Exhibition was implemented to expose learners to diverse career opportunities, helping them make informed decisions about their future.

By connecting schools with institutions of higher learning, training providers, and employers, Umdoni ensures that young people are guided toward pathways that match their talents and aspirations. These programmes address the challenge of limited career awareness in rural communities, empowering learners with knowledge and motivation to pursue meaningful professions.

Umdoni implemented the Top Achievers Programme to reward hard work, instill pride, and encourage a culture of achievement in schools. By shining a spotlight on achievers, the municipality promoted education as a cornerstone of community development and positions learning as a respected and valued pursuit.

Many families in Umdoni face financial barriers that prevent learners from registering at tertiary institutions. To break this cycle, the municipality introduced Registration Fee Support, to ensure that the deserving students are not denied access to higher education due to financial hardship. This intervention directly tackles inequality, opening doors for disadvantaged learners to pursue studies that will uplift both themselves and their communities.



## COMPONENT E: ENVIRONMENTAL PROTECTION

By viewing the natural environment as natural capital which is there to support socio-economic growth one can begin to realize the important role that it plays in providing the foundation for both the social and the economic aspects of society.

Natural Capital is valued according to the extent, to which it can underpin and support economic activities and societal livelihoods, but it is also finite with thresholds that need to be respected, only then does sustainability become a reality. It is unfortunate and apparent that the above view has not held within the municipality consequently opportunity costs have been and are significant: e.g. the siltation of the EJ Smith dam to such an extent that it can no longer meet the demand for water in Umdoni. The financial loss of this strategic piece of infrastructure is compounded by the fact that water now has to be brought in from the north via a pipeline at an increased cost to all communities residing within Umdoni.

The coastal assets from the estuaries, dunes, sandy beaches and rocky shores are significant attractions and the tourism income they attract has significant multiplier effects throughout the whole local economy.

It is clear then, that any development that will, impact negatively on tourism will have a devastating effect on the local economy (Coetzee, undated). The beaches and sea are clearly the main attractions, with Scottburgh being the leading Centre. Tidal pools, surf and rock fishing, surfing, deep-sea fishing and scuba diving are all

associated activities. However, the estuarine study done for the SEA reveals that in general the relative 'health' of Umdoni estuaries is fair to highly degraded, suggesting a particularly bleak future for these systems and a potentially high negative impact on our other coastal assets.

The riverine systems in Umdoni were assessed and found to be in a very poor state and thus highly vulnerable. This has and will continue to have a negative impact on those rural communities within Umdoni that rely on a natural river for their well-being. Maintaining any remaining natural systems along the main stem rivers is considered critical for ensuring continued delivery of ecosystem services and connectivity required for biodiversity persistence. River corridors must be developed along north south and east-west axes. A shortcoming within the planning domain is the high level of transformation directly adjacent to stem rivers, highlighting the importance of catchment management. All wetlands (including estuaries) are essential for maintaining hydrological services, including flow regulation, water purification and preventing sedimentation. Accordingly, a persistence target of 100% of all wetlands will be adopted, including a 30m buffer on each wetland to ensure sustained wetland functioning. The 100% wetland target is based on wetland functioning to ensure the delivery of ecosystem services goods and services, rather than biodiversity targets.

However, it is possible that the poor environmental situation that currently exists can, in some instances, be turned around. This is particularly relevant when considered within the context of the role and value of the natural capital and where government

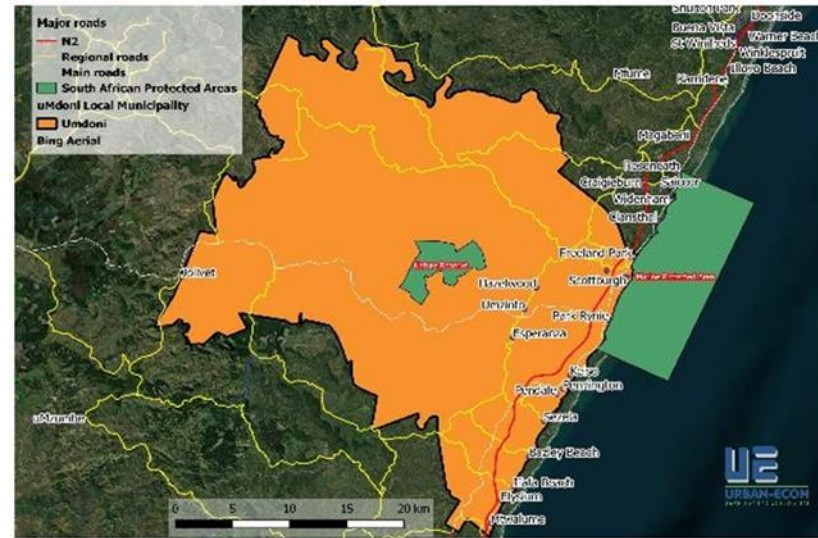
job creation projects such as Working for Water and the Extended. Public Works Programme invests in environmental rehabilitation projects.

The level of transformation and/or degradation has no doubt elevated the status of the untransformed areas, which remain. The implications of this are that all untransformed land within the boundaries of the UM are of conservation importance and all future development applications will need to be scrutinised very carefully and subjected to rigorous environmental impact assessment and management to ensure that the important biodiversity features are not impacted on. Where development plans are unable to avoid and mitigate impacts on site, they should not be considered.

A non-negotiable will have to be that the investment must bring about an enhancement of the remaining untransformed natural capital and vital rehabilitation of sensitive eco-systems that are already compromised.

## ENVIRONMENTALLY SENSITIVE AREAS

Umdoni Municipality has 2 major environmentally sensitive areas, mainly the marine protected area and the Vernon Crooks Nature reserve. These are key areas where interventions are required to maintain the integrity of these spaces and ensure their protection.



Map 2: Environmentally Sensitive areas

## 3.15 POLLUTION CONTROL

Pollution control in Umdoni is a critical responsibility to ensure environmental sustainability and public health. Umdoni implements pollution control with these various strategies:

1. **Waste Management:** Establishing proper waste collection and recycling programs to reduce landfill waste and prevent illegal dumping.
2. **Water Quality Protection:** Monitoring and controlling industrial discharges into water bodies, promoting wastewater treatment, and preventing stormwater pollution.

3. **Air Quality Management:** Regulating emissions from industries and vehicles, promoting the use of cleaner energy sources, and monitoring air quality regularly.
4. **Public Awareness Campaigns:** Educating residents about the importance of reducing pollution through initiatives like tree planting, reducing plastic use, and proper waste disposal.
5. **Enforcement of Laws and Policies:** Enforcing municipal by-laws related to pollution control, such as penalties for littering or unauthorized dumping.
6. **Sustainable Urban Planning:** Incorporating green spaces, efficient public transportation, and environmentally friendly infrastructure in city planning.
7. **Collaboration with Stakeholders:** Working with community groups, businesses, and government agencies to implement pollution control measures.

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

#### **CRITICAL BIODIVERSITY AREAS**

The natural environment forms one of the most important resources of the municipality, providing the basis for Agriculture and Tourism development as well as a functioning Ecosystem and attractive Landscape. Ecological resources are irreplaceable and should thus be one of the major structuring elements guiding the development of the Municipality.

Owing to the importance of preserving areas of Biodiversity significance, It is proposed that a Municipal Open Space System be instituted as part of managing land use. This will have to be instituted through a process of thorough investigation of areas worth protecting, and subsequently, be formalised.

#### Critical Biodiversity Area 1 “Mandatory”

The CBA 1 Mandatory areas are based on the irreplaceability analysis. Identified as having an Irreplaceability value of 1, these planning units represent the only localities for which the conservation targets for one or more of the biodiversity features contained within can be achieved i.e. there are no alternative sites available. The distribution of the biodiversity features is not always applicable to the entire extent of the PU (Planning Unit), but is more often than not confined to a specific niche habitat e.g. a forest or wetland reflected as a portion of the PU in question. In such cases, development could be considered within the PU if special mitigation measures are put in place to safeguard this feature(s) and if the nature of the development is commiserating with the conservation objectives. This is site and case dependent.

#### Critical Biodiversity Area 2 “Mandatory”

CBA2 indicate the presence of one (or more) features with a very high irreplaceability score. In practical terms, this means that there are alternate sites within which the targets can be met, but there aren't many. This site was chosen

because it represents the most optimal area for choice in the systematic planning process, meeting both the target goals for the features concerned, as well as a number of other guiding criteria such as high agricultural potential area avoidance, falls within a macro-ecological corridor etc. Whilst the targets could be met elsewhere, the revised reserve design would more often than not be slightly more 'land-hungry' in an effort to meet its conservation objectives.

#### Critical Biodiversity Area 3 "Optimal"

CBA3 indicate the presence of one (or more) features with a low irreplaceability score. Derived in the same way as outlined for CBA2 described above, the determination vision of these PU's is driven primarily by the guiding layers. The areas not highlighted in MINSET ARE NOT OPEN for wholesale development. Important species are still located within them and should be accounted for in the EIA process. They are not highlighted as the MINSET highlights the 'choice' areas from a biodiversity point of view only. Should one or more of the CBA2 and CBA3 sites be utilised for development, it is obvious that the target for whatever feature(s) where located within that PU will no longer be met. Ideally, MINSET would have to be re-run to calculate the next optimal solution, the new PUs being 'extracted' from the currently blank/undefined areas.

#### Biodiversity Area

The areas not highlighted in MINSET ARE NOT OPEN for wholesale development. Important species are still located within them and should be accounted for in the

EIA process. They are not highlighted as the MINSET highlights the 'choice' areas from a biodiversity point of view only. Should one or more of the CBA2 and CBA3 sites be utilised for development, it is obvious that the target for whatever feature(s) where located within that PU will no longer be met. Ideally, MINSET would have to be re-run to calculate the next optimal solution, the new PUs being 'extracted' from the currently blank/undefined areas.

#### Sites for Conservation

The sites, which have been identified for conservation, include: -

- Gwala Gwala
- • Leylands Bush
- • Makomati Dam
- • Mkondweni
- • Mzinto Lagoon Nature Reserve
- • Nkomba Birds Sanctuary
- • Quakweni
- • T C Robertson Memorial Sanctuary
- • Vernon Crookes Nature Reserve
- • Midlands Corridor
- • Admiralty Corridor
- • Dune Corridor
- • Aliwal Shoal Marine Protected Area

## COMPONENT F: HEALTH

### 3.17 CLINICS

Component F which encompasses Clinics (Personal Health), Ambulance Services (emergency) and Health inspection (Food and Food outlets) are as noted from afore section under “Component B (Ref 1.2)” and further from “Appendix D” as annexed hereto is indeed municipal and local government functions. They however are not entirely that of a LOCAL municipality but rather of a function of a DISTRICT and in certain instances that of a “SHARED SERVICE” between Local and District Municipalities and with OR between other organs of government namely provincial. The classification hereunder alludes to the accountability of the three identified functions:

Function	
<b>Clinics</b>	KZN Provincial Department of Health
<b>Ambulance Services</b>	KZN Provincial Department of Health & KZN Emergency and Rescue Services
<b>Health Inspection</b>	UGU District Municipality

## COMPONENT G: SECURITY & SAFETY

### 3.20 POLICING

The mission of the Umdoni Traffic and Policing section is to reduce the incidences and severity of all related incidents through efficient and effective coordinated deployment of personnel with intensified, stringent law enforcement including the following:

- a) Visibility – regular patrols, staff deployed at static points
- b) Road Blocks/VCPs – conducted in areas which are prone to accidents, robberies, housebreaking, reckless and negligent driving
- c) 22 schools within Umdoni and the erstwhile Vulamehlo Municipality have scholar patrols attendees that are funded by Department of Transport but administrated by Umdoni Municipality since August 2017
- d) MOU for Bobbies on the Beat to enhance safety and security during the festive season

### FESTIVE SEASON

During the festive period, planning meetings were held in collaboration with relevant Law Enforcement Agencies to evaluate challenges experienced in previous years and to implement solutions and proactive measures. To manage crowd capacity and

vehicular traffic at beaches, SAPS Reservists enforced access control points and road closures on strategic public holidays.

Traffic and Policing staff were strategically deployed across 11 beaches, focusing on key responsibilities such as beach patrols, road closures, crowd management, traffic control, and law enforcement. As several beaches, including Scottburgh Beach, Park Rynie Campsite, Preston Beach, Rocky Bay, and Pennington Beach, reached full capacity, stop-and-search operations were conducted to ensure safety and compliance

### **3.21 FIRE**

The purpose of the Fire Section within a municipality is to ensure the safety and protection of lives, property, and the environment. Its responsibilities typically include:

**Fire Prevention:** Conducting inspections, issuing permits, and raising awareness to prevent fire hazards and ensure compliance with fire safety regulations.

**Fire Suppression:** Responding promptly to fire incidents to extinguish fires and minimize damage.

**Emergency Response:** Handling other emergencies such as vehicle accidents, hazardous material incidents, and natural disasters like floods.

**Public Education:** Providing fire safety education and training to residents, schools, and businesses to reduce the risk of fires.

**Rescue Operations:** Assisting in rescue efforts, including saving individuals trapped in buildings, vehicles, or other hazardous situations.

**Disaster Management Support:** Collaborating with other municipal departments and agencies during large-scale disasters to ensure a coordinated response.

The table below indicates the number of businesses that were inspected for compliance with fire safety laws and regulations for the year under review.

Date of Inspection	Area	Type of Inspection
17/08/2023	Pennington	Business inspection
17/08/2023	Amandawe	Business inspection
30/08/2023	Amandawe	Business inspection
30/08/2023	Umzinto	Business Inspection
30/08/2023	Scottburgh Dream Cafe	Business Inspection
02/10/2023	Pennington- Gwala-Gwala Restaurant	Business Inspection
02/10/2023	Park rynie hong Quan	Routine inspection
02/10/2023	Breamer –Shezi tarven	Business inspection
22/01/2024	Esperanza	Site inspection
22/01/2024	Scottburgh	Site inspection
22/01/2024	Scottburgh	Site inspection
30/01/2024	Park rynie _ SPAR	Business Inspection
30/01/2024	Park Rynie -KFC	Business license inspection
02/02/2024	Dududu- Ceders	Site Inspection
08/03/2024	Umzinto Sasol Garage	Business Inspection
08/03/2024	Umzinto Anchor Village	Business Inspection
11/03/2024	Scottburgh Clinic	Public Safety inspection
11/03/2024	Pennington Clinic	Public Safety inspection
11/03/2024	Umzinto Clinic	Public Safety inspection
11/03/2024	Dlangezwa Clinic	Public Safety inspection
11/03/2024	Dududu Clinic	Public Safety inspection
12/03/2024	Philani Clinic	Public Safety inspection
12/03/2024	Mgangeni Clinic	Public Safety inspection
12/03/2024	Gateway clinic	Public Safety inspection
18/03/2024	Amandawe MST Tavern	Business Inspection
18/03/2024	Amandawe Mabalengwe Tavern	Business Inspection

Date of Inspection	Area	Type of Inspection
18/03/2024	Kenterton Check Save	Business Inspection
18/03/2024	Umzinto Morning Dew Traiding	Business Inspection
27/03/2024	Umzinto Jwayelani	Business Inspection
27/03/2024	Dududu Sideways tavern	Business Inspection
11/04/2024	Park Rynie -Halfway	Site inspection
11/04/2024	Kenterton- Check Save Supermarket	Business inspection
19/04/2024	Amandawe- Malibongwe Tavern	Business inspection

### 3.22 DISASTER

Risk assessment remains an ongoing priority in disaster management and was conducted across all wards.

During the 2023/2024 financial year, the municipality attended to 95 incidents and 102 complaints. Additionally, 32 plans were reviewed, and 31 business inspections were conducted. Over 123 households affected by disasters were assessed, and the necessary relief stock was distributed based on the assessment outcomes.

In April 2024, Umdoni Municipality experienced severe flooding. Comprehensive assessments were undertaken, and it was identified that six areas had been partially washed away as follows:

Name of the road or bridge	Impact
Old main road Umzinto (different parts of main road)	Washed away
Beniva Bridge	Washed away
Somkhanda bridge	Washed away

## DISASTER RESPONSE AND RECOVERY

LOCAL MUNICIPALITY UMDONI	TYPE OF INCIDENT (NUMBER)		HOUSEHOLDS AFFECTED	HOUSES COMPLETELY DESTROYED	HOUSES PARTIALLY DAMAGED	PEOPLE AFFECTED	FATALITIES	INJURIES	RELIEF ISSUED						
									BLANKETS	TENTS	PLASTIC SHEETING	SPONGE	FOOD PARCEL	WENDY HOUSE	LIGHTNING CONDUCTOR
	Structural Fire	21	19	10	11	54	0	0	15	0	0	12	0	0	0
	Motor Vehicle Accident (MVA)	16	32	0	0	32	0	23	0	0	0	0	0	0	0
	Fallen tree	18	0	0	0	0	0	0	0	0	0	0	0	0	0
	Electrical box	3	2	0	0	0	0	0	0	0	0	0	0	0	0
	Gale Force Storm	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Humanitarian services	7	0	0	0	0	0	0	0	0	0	0	0	0	0
	Bush Fire	13	0	0	0	0	0	0	0	0	0	0	0	0	0
	Flood incident	57	57	10	47	132	0	0	18	0	41	0	0	0	0
<b>TOTAL</b>		<b>135</b>	<b>110</b>	<b>20</b>	<b>58</b>	<b>218</b>	<b>0</b>	<b>23</b>	<b>33</b>	<b>0</b>	<b>41</b>	<b>12</b>	<b>0</b>	<b>0</b>	<b>0</b>

## COMPONENT I: CORPORATE POLICY OFFICES AND OTHER SERVICES

The Corporate Services Department derives its mandate from Councils key development objective i.e. Institutional Development, Co-Operative Governance and IDP. It therefore means it is largely an internal focused department with the primary aim of employee recruitment and development and enhanced and efficient administrative systems.

The strategic challenges for the Municipality is to find better ways in delivering services to the Umdoni community by efficiently and effectively utilizing existing resources, structure and mechanisms to address the needs of the community in a holistic and integrated manner. It is therefore the departments responsibility to ensure that the organization is being aligned to advance on the key objectives of the municipality by addressing human resource related issues and to amplify technological applications within the Municipality.

### 3.25 FINANCIAL SERVICES

The Financial Services Department manages the corporate financial affairs of the municipality to ensure that the best possible services are provided with the available funds.

The department is responsible for drawing up the annual municipal budget and for implementing and maintaining a system that generates accurate information about the municipality's financial position for internal and external role players, enabling them to make informed decisions.

The following main focus areas exist within Financial Services Department:

- a) Revenue Management
- b) Budget & Compliance

- c) Expenditure
- d) Supply Chain Management
- e) Asset Management

### 3.26 HUMAN RESOURCE SERVICES

As part of the Corporate Services portfolio, the primary focus of the Human Resources Department is to ensure the delivery of efficient and effective services to both internal and external stakeholders. The department is committed to upholding principles of fairness, openness, and transparency while fostering a professional office environment where confidentiality is preserved at all times.

The past year has presented significant challenges for the municipality, particularly within the Human Resources section. Key positions, including the Human Resources Manager and roles reporting to the manager, such as the Skills Development Officer, remain vacant. This has had a notable impact on critical areas such as compliance, the implementation of the human resource strategy, and the execution of skills development programmes. These vacancies have hindered the department's ability to enhance capacity and ensure the efficient and effective delivery of municipal services.

### 3.27 INFORMATION COMMUNICATION TECHNOLOGY

During the year under review, the municipality conducted a comprehensive ICT infrastructure assessment to evaluate the current ICT environment and conditions. The assessment provided strategic recommendations for upgrading the municipality's ICT infrastructure. Implemented recommendations included the redesign of the municipal website, the installation of a fiber network, and the renewal of the Microsoft license, all aimed at enhancing efficiency and service delivery

## COMPONENT K: ORGANIZATIONAL PERFORMANCE SCORECARD

Outlined in Section 40 of the Municipal Systems Act 32 of 2000 (MSA), Municipalities must establish mechanisms to monitor and review its Performance Management System (PMS). These mechanisms are meant to ensure that the system continues to comply with the Act, remains aligned to the priorities, objectives, indicators and targets set out in the municipality's Integrated Development Plan (IDP).

Section 34 of the MSA furthermore points out that the Integrated Development Plan (IDP) has to be reviewed on an annual basis and that during the IDP review process the Key Performance Areas, Key Performance Indicators and Performance Targets be reviewed and this review will form the basis for the review of the Organisational Performance Management and Performance Contracts of Senior Managers.

Chapter 3, Section 7 of the Municipal Planning and Performance Management Regulations (2001) outlines the setting of key performance indicators (KPIs) for municipalities.

### Section 7 – Setting of Key Performance Indicators

A municipality must:

- Set **key performance indicators** (KPIs) as part of its performance management system.
- Ensure that these KPIs are **aligned with its Integrated Development Plan (IDP)**.
- Use KPIs to measure performance in terms of **outputs, outcomes, efficiency, and effectiveness**.
- Include **general KPIs** prescribed by the Minister responsible for local government, which apply to all municipalities.

This section ensures that municipalities have measurable goals and can track their progress in delivering services and achieving development objectives. It also promotes transparency and accountability in local governance.

Section 46 of the Municipal Systems Act (Act 32 of 2000), inter alia stipulates the following: -

46. (1) A municipality must prepare for each financial year a performance report reflecting -

- (a) the performance of the municipality and of each external service provider during that financial year;
- (b) a comparison of the performances referred to in paragraph (a) with targets set for performances in the previous financial year; and
- (c) Measures taken to improve performance

(2) An annual performance report must form part of the municipality's annual report in terms of Chapter 12 of the Municipal Finance Management Act.

## ORGANIZATIONAL PERFORMANCE MANAGEMENT SYSTEM

Municipal Systems Act (MSA) of 2000, Section 38(a) mandates municipalities to establish performance management systems, and the Planning and Performance Management Regulations of 2001, describes the municipality's Performance Management System (PMS) as consisting of a framework that articulates and represents how the municipality's cycle and processes of performance planning, monitoring, measurement, review, reporting and improvement will be conducted, organised and managed as well as to determine the roles of different stakeholders. The performance management system is a tool that measures the implementation of an organisation's strategy. It also provides a mechanism to measure whether targets meet the strategic objectives that are set by municipalities and employees. In Umdoni municipality the PMS implementation and management process is carried out at phases namely:

- **Phase 1: Planning**

Umdoni Municipality embarked on the first phase of an organisational performance management system and the key output of this process was the development of the Integrated Development Plan (IDP) that was adopted by Council on 27 May 2024.

- **Phase 2: Implementation**

The actual implementation of the IDP over a single financial year is given effect through the Service Delivery Budget Implementation Plan (SDBIP), performance contracts of the Municipal Manager and other S56 Managers. 2024/2025 SDBIP was approved by the Mayor on 19 June 2024.

- **Phase 3: Monitoring**

Monitoring continuously tracks performance against what was planned by collecting and analysing data on the indicators established for monitoring and evaluation purposes. It provides continuous information on whether progress is being made toward achieving results (outputs, outcomes, and goals) through record keeping and regular reporting systems.

Umdoni municipality achieved this process through compilation of Managers Quarterly Performance Reports at Departmental Level, compilation of Consolidated Quarterly, Half Yearly and Annual Performance Report at Municipal Level and submission of these reports to Manco, Internal Audit for assessment, Council & Portfolio Committees to enable political leadership to play their oversight role on performance management

- **Phase 4: Evaluation**

Evaluation is a periodic, in-depth analysis of programme performance. It relies on data generated through monitoring activities such as Quarterly performance reviews and Performance Evaluations. Umdoni Municipality council appointed a Performance Evaluation Committee through and the Council resolved on appointing the following members to the Performance Evaluation Committee:

- The Chairperson of the Audit Committee
- A Municipal Manager from another Municipality
- The Municipal Manager (Umdoni Municipality)

- And a member of the Executive Committee
- Mayor (Assessment of Municipal Manager)
- Ward Committee Member (Assessment of Municipal Manager)

## ORGANIZATIONAL QUARTERLY PERFORMANCE INFORMATION

Performance Monitoring underpins the Municipality's Integrated Development Plan in terms of reviewing progress regularly in achieving the priorities and delivering value for money services. Early investigation into variances enables remedial action taken where appropriate.

Quarterly performance reports assist the organization in providing a regular update on the progress of various projects and programmes within each user Department. They demonstrate transparency and accountability to stakeholders, including residents. The data collected in these reports assists in making informed decisions about resource allocation, project adjustments and strategic planning for the year ahead. Regular reporting helps identify and issues of bottlenecks early on, allowing for corrective action to be taken promptly. This report will aim to highlight areas of concern that Management should act on and make improvements so that corrective action can be effected by the end of the financial year.

## ANALYSIS OF ORGANIZATIONAL ANNUAL PERFORMANCE FOR 2024/2025

As of 30 June 2025, **69.9%** planned performance targets for the year have been met. This demonstrates a decline of 11,1% in performance compared to **81,1%** of performance targets achieved in the 2023/2024 financial year. Key contributing factors to this decline in performance are labour unrests experience in the 1<sup>st</sup> quarter of the financial year which were caused by disputes between employer and labour regarding unequal salaries, tools of trade amongst others. These unrests caused disruptions in operations and service delivery, reduced staff morale and productivity as well as delays in project execution and reporting.

The Human Resources vacancy vacuum caused by significant understaffing in the HR Section has impacted on the ability to meet targets for Municipal Transformation KPA which is largely represented by the Corporate Services Department. The key deliverables affected are the review of critical HR Policies, the finalisation of Employment Equity Policy and Plan, resuscitation, and functionality of the employment equity committee have also impacted on the credibility score of the IDP which was 68,5% in 2023/2024 and reduced to 65,11% in 2024/2025 as per MEC Comments. This high vacancy in HR has caused an Operational vs Strategic focus shift for the Snr Manager responsible who has diverted his strategic focus to fill the operational gaps. This impacts strategic oversight and planning becomes compromised.

Table 1 below summarises performance for the year under review per Key Performance Area.

	No. of Annual Targets	Targets Met	Targets Not Achieved	Total Overall Achievement
Municipal Transformation & Institutional Development	44	21	23	48%
Basic Service Delivery	43	34	9	79%
Local Economic Development	15	10	5	67%
Good Governance & Public Participation	36	29	7	81%
Financial Management & Viability	20	16	4	80%
Cross Cutting Interventions	5	4	1	80%
<b>Total</b>	<b>163</b>	<b>114</b>	<b>52</b>	<b>69,9%</b>

Table 1: Performance Comparison by KPA 2024/2025

Table 2 below illustrates the performance comparison per Key Performance area for **2023/2024** and **2024/2025** overall performance.

	2024/2025		2023/2024	
	Targets Met	Overall Achievement	Targets Met	Overall Achievement
Municipal Transformation & Institutional Development	21	48%	5	83%
Basic Service Delivery	34	79%	29	85%
Local Economic Development	10	67%	8	80%
Good Governance & Public Participation	29	81%	14	82%
Financial Viability & Management	16	80%	11	85%
Cross Cutting Interventions	4	80%	2	50%
<b>Total</b>	<b>114</b>	<b>69,9%</b>	<b>39</b>	<b>82%</b>

Table 2: KPA Performance Comparison 2023/2024 vs 2024/2025

During the 2024/2025 financial year, the municipality experienced a **decline in performance across all Key Performance Areas (KPA)** when compared to the previous financial year, **with the exception of the Cross Cutting KPA**, which showed notable improvement.

- **Municipal Transformation and Institutional Development:** Performance decreased significantly from **83% in 2023/2024** to **48% in 2024/2025**, indicating a need for targeted interventions in this area.

- **Basic Service Delivery:** Achieved **79%** of planned targets in 2024/2025, down from **85%** in the previous year.
- **Local Economic Development:** Performance declined from **80%** in 2023/2024 to **67%** in 2024/2025.
- **Good Governance and Public Participation:** Registered a marginal decrease of **1%**, moving from **82%** to **81%**.
- **Financial Viability and Management:** Dropped from **85%** in 2023/2024 to **80%** in 2024/2025.
- **Cross Cutting KPA:** Contrasting the overall trend, this area improved significantly, rising from **50%** to **80%**.

This performance trajectory highlights areas requiring strategic focus and remedial action, while also acknowledging progress made in cross-cutting initiatives.

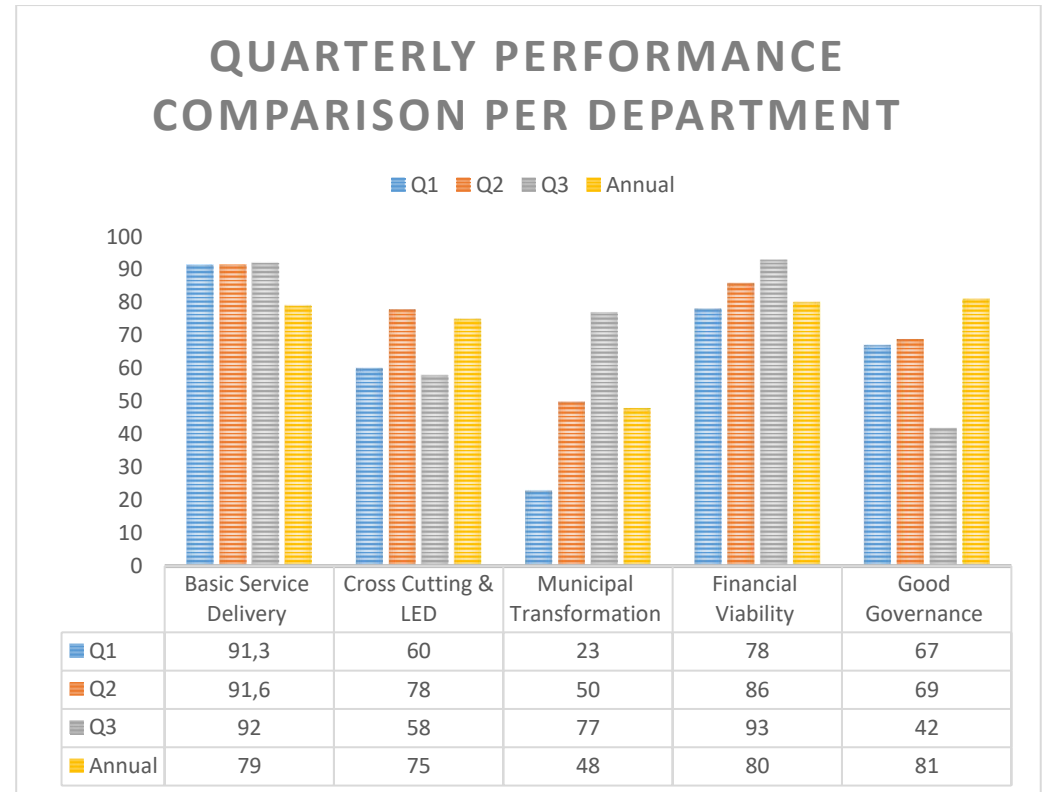


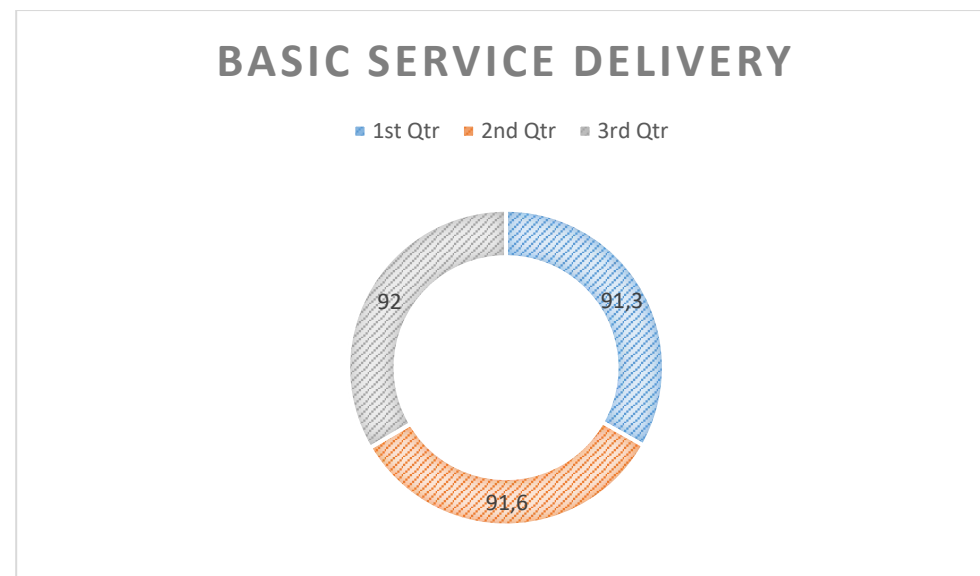
Figure 2: Quarterly Performance Comparison per KPA

## ANALYSIS OF PERFORMANCE – BASIC SERVICE DELIVERY

During **Quarter 1**, the Basic Service Delivery KPA achieved **91%** of its planned targets. This performance is commendable given the challenges posed by labour and community unrest during the period. The KPA's high performance percentage in Q1 was largely supported by rollover projects from the previous financial year, particularly disaster-funded initiatives that were already in advanced stages of implementation. Delays were primarily associated with new projects that required completion of supply chain management processes, including the refurbishment of **Dumisa Skills Center**, **Oswanini Community Hall**, and the 2.15 km of **Urban Roads Rehabilitation**, Submission of the **Community Facilities Maintenance Plan & Verge Maintenance Plan** to the Community Services Portfolio Committee during the 1<sup>st</sup> quarter.

In **Quarter 2**, Basic Service Delivery KPA maintained its performance level, again achieving **91%** of planned targets. However, the construction of **Mgangeni Community Hall** faced delays due to societal issues involving the tribal authority. These were subsequently resolved through the intervention of political leadership and the Department of Cooperative Governance and Traditional Affairs (CoGTA). **Quarter 3** saw a slight improvement, with the departments representing this KPA achieving **92%** of its planned targets, demonstrating consistent momentum in project delivery.

The chart below is indicative of the Basic Service Delivery KPA performance through out the first three quarters of the financial year under review.



As of **30 June 2025**, the Basic Service Delivery KPA concluded the financial year with an overall achievement of **79%**, with **nine targets not met**. These included:

- **Dumisa Skills Center refurbishment**, currently at approximately **60%** completion.
- **Oswanini Community Hall**, which was targeted for **30%** progress by year-end; however, a service provider has yet to be appointed.
- **Nsongeni Road**, undergoing an upgrade from gravel to asphalt, remains incomplete.
- **Integrated Waste Management Plan**, due to capacity challenges within the municipality, however EDTEA will be assisting the municipality in developing its Integrated Waste Management Plan in 2025/2026 Financial Year
- **Refurbishment of 8000m of gravel and concrete sections**

- Rehabilitation of 2,15 Km of Urban Roads
- Yellow Plant Needs Analysis

The table below is a summary of targets planned under Basic Service Delivery for the 2024/2025 financial year that were not achieved. The table also indicates the reasons for variance from planned target as well as planned corrective action.

ANNUAL TARGET	ACTUAL	REASON FOR VARIANCE	PLAN OF CORRECTIVE MEASURE
Rehabilitate 2,15 KMs (Pertunia - 400m, Azalea -400m, Erskine - 500m, Court Rd-500m, Galway Lane -350m, Preston Road , Gardner Road - ) of Roads by 30 June 2025	99% of 2.15 Kms rehabilitated	Labour unrest during the first quarter of the financial year resulted in work stoppages, which adversely affected the operations and implementation of the Urban Roads Rehabilitation Programme during the 1st Quarter	Political Leadership & Snr Management continue to foster a healthy relationship with labour through regular engagements.  Operations have been normalised and an acceleration programme was developed to Fasttrack the rehabilitation programme
Upgrade 100% of Nsongeni Road from Gravel to Asphalt by 30 June 2025	58% Construction	Delays due to inclement weather, which resulted to flood damages to the recently completed infrastructure (layer works).	The contractor has submitted a revised programme and an acceleration plan to ensure that works are completed on time. The municipality's PMU section and the project consultants are continuously monitoring the progress.
Refurbish 100% of Dumisa Community Hall and Skills Centre by 30 June 2025	70% Construction	Delays due to inclement weather and work stoppage by the local community	The contractor has submitted a revised programme and an acceleration plan to

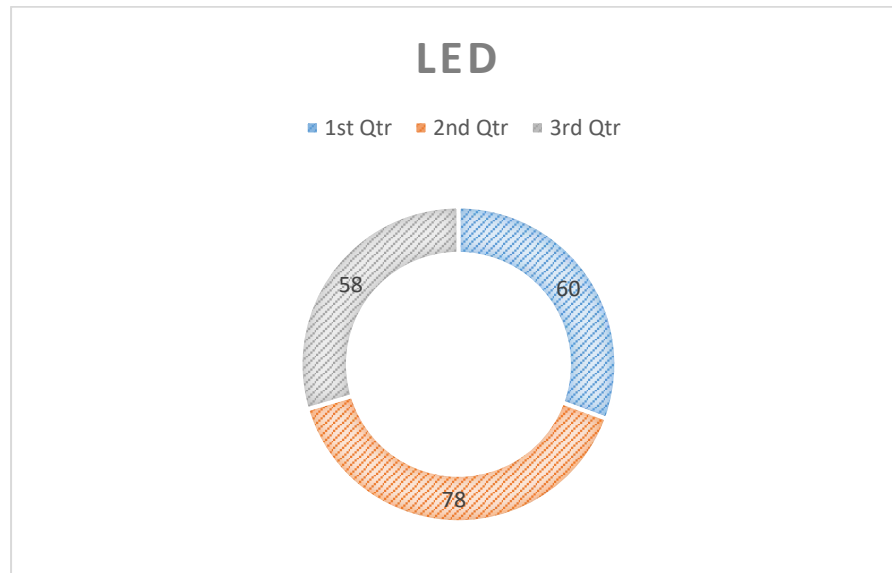
ANNUAL TARGET	ACTUAL	REASON FOR VARIANCE	PLAN OF CORRECTIVE MEASURE
		demanding subcontracting.	ensure that works are completed on time. The municipality's PMU section and the project consultants are continuously monitoring the progress.
Construct and Complete 30% of Oswanini Community Hall by 30 June 2025	0%	Labour unrest during the first quarter of the financial year resulted in work stoppages, which adversely affected the operations and sitting of Bid Committees to commence and finalise the SCM Processes for Oswanini Community Hall	Political Leadership & Snr Management continue to foster a healthy relationship with labour through regular engagements.  Operations have been normalised and Bid Committees are convening to conclude on tenders
Reviewed and Adopted Waste Management Plan by 30 May 2025	Draft Integrated Waste Management Plan	The Municipality has no capacity to develop the Integrated Waste Management Plan internally	Technical Services Department will engage with the Department of Economic Development, Tourism and Environmental Affairs in the next financial year to assist the Municipality to develop the Integrated Waste Management Plan

## ANALYSIS OF PERFORMANCE – LED

The LED KPA demonstrated a **steady increase in performance** during **Quarters 1 and 2**, despite facing challenges in Quarter 1 due to labour unrest. These disruptions affected ground-level implementation of several grant-funded projects, including the **construction of access roads**, the **Mechanical Workshop**, and **parking bays at the Umzinto Bus Rank**, resulting in some planned targets not being met.

In **Quarter 2**, the department improved its performance to **78%**, but experienced a decline in **Quarter 3**, dropping to **58%**. This decrease was largely attributed to the continued impact of earlier delays and unresolved project constraints.

The chart below is indicative of LED performance throughout the financial year under review.



As of **30 June 2025**, LED KPA achieved an overall performance of **67%** for the financial year. The **targets not met** included:

- The **appointment of a service provider** to review the **Local Economic Development (LED) Strategy**.
- The **Construction of 90/80m<sup>2</sup> parking bays**
- The **Construction of 150m Access Road at Umzinto Bus Rank**
- **Construction of Mechanical Workshop in Umzinto Bus Rank.**

The table below articulates indicator targets that were not achieved, their reasons for variance and planned corrective action for Planning & Development.

ANNUAL TARGET	ACTUAL	REASON FOR VARIANCE	PLAN OF CORRECTIVE MEASURE
Erect locational and directional signage for Umzinto Bus Rank & Traditional Healers Market by 30 December 2024	Nil	The Umzinto Bus Rank Upgrade project construction is not completed therefore erecting directional and locational signage will only be conducted upon completion of the project	Upon completion of the Umzinto Bus Rank Upgrade the locational and directional signage will be erected.  The Umzinto Bus Rank upgrade project will be completed by 30 September 2025
Construct Mechanical Workshop at Umzinto Bus Rank by 28 February 2025	Construction at 85%	Labour unrest during the first quarter of the financial year resulted in work stoppages, which adversely affected the Umzinto Bus Rank Upgrade Project implementation. This is a Grant funded project and EDTEA has not transferred the last trench of the funding that would	Political Leadership & Snr Management continue to foster a healthy relationship with labour through regular engagements.  The Municipality has engaged with EDTEA and have committed to transfer the last trench funding for the project by 30 July 2025

ANNUAL TARGET	ACTUAL	REASON FOR VARIENCE	PLAN OF CORRECTIVE MEASURE
		enable the completion of the project in the 2024/2025 FY	
Appoint Service Provider for the Review of LED Strategy by 30 May 2025	Nil	Lack of funding for the appointment of service provider to Review the LED Strategy	Council has allocated funding for the review of LED Strategy in the 2025/2026 Financial Year  A Service provider will be appointed by 30 September 2025
Assess Building Plans under 500m <sup>2</sup> within 30 Days by 30 June 2025	32 Days	Target could not be achieved due to staff shortage and currently awaiting appointment of service provider to assist on the backlog	The Municipality will appoint a service provider to assist in augmenting the building plans approval backlog  Target to be achieved during the 2025/26 FY

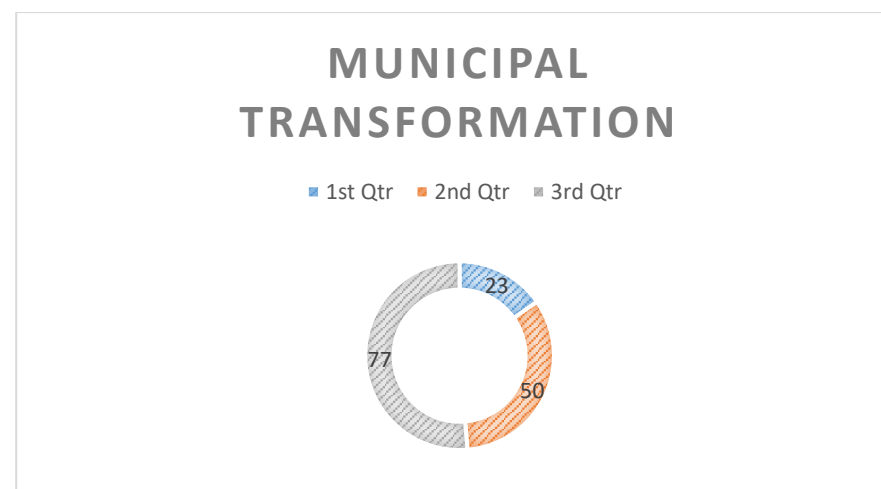
## ANALYSIS OF PERFORMANCE – MUNICIPAL TRANSFORMATION & INSTITUTIONAL DEVELOPMENT

The Corporate Services Department faced **significant performance challenges** throughout the financial year, making it the most impacted department in comparison to others. This underperformance is largely attributed to a **high vacancy rate** within the **Human Resources (HR) Section**. Key positions—including **HR Manager, HR Officer, Skills Development Officer, and Labour Relations Officer**—remain vacant, leaving the section to operate with clerks and interns. As a result, the Senior Manager has had to focus more on operational matters than strategic planning, which has affected departmental performance.

In **Quarter 1**, the department achieved only **23%** of its planned targets, with the majority of unmet targets falling under the HR function, particularly the **review of key HR policies**. The lack of capacity in HR also led to delays in the conclusion of disciplinary cases, increasing institutional costs.

**Quarter 2** saw a slight improvement, with **50%** of planned targets achieved. However, this improvement may not reflect actual performance gains, as some targets from Quarter 1 were no longer considered in the Quarter 2 performance calculation. A similar trend was observed in **Quarter 3**, where performance rose to **77%**, though this may again be due to changes in target relevance rather than operational improvements.

The chart below is indicative of Municipal Transformation KPA performance throughout the financial year under review.



By **30 June 2025**, the KPA had achieved an overall performance of **48%** for the financial year. This result is primarily due to the **non-adoption of HR policies** that were scheduled for review. These policies remain in **draft format** and are currently undergoing **consultation with the Local Labour Forum (LLF)** and **vetting by the**

**Legal Section**, with adoption anticipated in **Quarter 1 of the 2025/2026 financial year**.

The table below demonstrates the reasons for variance, planned corrective measures for planned targets under Corporate Services that were not achieved by the end of the financial year.

ANNUAL TARGET	ACTUAL	REASONS FOR VARIANCE	PLAN OF CORRECTIVE MEASURES
Review and Adopt ICT Policy & Framework by 30 December 2024	Draft ICT Policy & Framework	Draft ICT Policy & Framework has been workshopped to Council & Management during Policy Workshop 14-15 May however Council requested that policies be consulted with LLF and undergo a legal vetting process by Legal Section prior submission to Council for adoption	The Corporate Services Department will ensure the submission of the ICT Policy & Framework to Legal Section for vetting and comments.  The ICT Policy & Framework will be submitted to Council for adoption within the 1st Quarter of the Financial Year by 30 September 2025
Convene 4 ICT Steering Committee meetings by 30 June 2025	3 ICT Steering Committee meetings convened	The passing of the ICT Manager created a significant leadership and operational gap within the ICT Section, which has adversely affected its overall functionality. At present, the section is operating with limited capacity, comprising only one ICT Officer and two interns.	Restore full operational capacity and leadership within the ICT Section by prioritising the recruitment of ICT Manager in the new FY to ensure effective service delivery and strategic ICT management

ANNUAL TARGET	ACTUAL	REASONS FOR VARIANCE	PLAN OF CORRECTIVE MEASURES
Review and Adopt Occupational Health & Safety Policy by 30 December 2024	Draft Occupational Health & Safety Policy	Draft Occupational Health & Safety Policy has been workshopped to Council & Management during Policy Workshop 14-15 May however Council requested that policies be consulted with LLF and undergo a legal vetting process by Legal Section prior submission to Council for adoption	The Corporate Services Department will ensure the submission of the Occupational Health & Safety Policy to Legal Section for vetting and comments.  The Occupational Health & Safety Policy will be submitted to Council for adoption within the 1st Quarter of the Financial Year by 30 September 2025
Review and Adopt Organogram by 30 May 2025	Draft Organogram	The non-achievement of this target is attributed to a delicate relationship with organized labour, which required careful nurturing throughout the financial year. Nevertheless, the Draft Organogram has been tabled and is currently undergoing consultation processes within the Local Labour Forum (LLF)	Political Leadership & Snr Management continue to foster a healthy relationship with labour through regular engagements.  The Draft Organogram will be submitted to Council during the 1st Quarter of the financial year to be adopted
Review schedule of Disciplinary Cases and resolve x4 cases by 30 June 2025	Reviewed Schedule of Disciplinary Cases	The HR Unit is currently experiencing capacity challenges due to key vacancies, including the positions of HR Manager, HR Officer, and Labour Relations Officer. This	The municipality developed a schedule of Disciplinary cases and appointed Prosecution Officers (POs) to attend to the cases

ANNUAL TARGET	ACTUAL	REASONS FOR VARIANCE	PLAN OF CORRECTIVE MEASURES
		has significantly impacted the unit's ability to resolve disciplinary cases in a timely manner	
Develop and Adopt Employment Equity Plan by 30 December 2024	Draft Employment Equity Plan	Draft Employment Equity Policy & Plan has been workshopped to Council & Management during Policy Workshop 14-15 May however Council requested that policies be consulted with LLF and undergo a legal vetting process by Legal Section prior submission to Council for adoption	The Corporate Services Department will ensure the submission of the Employment Equity Plan to Legal Section for vetting and comments.  The Employment Equity Policy & Plan will be submitted to Council for adoption within the 1st Quarter of the Financial Year by 30 September 2025
Convene 4 Employment Equity Committee Meetings by 30 June 2025	1	The HR Unit is currently experiencing capacity challenges due to key vacancies, including the positions of HR Manager and HR Officer, and Labour Relations Officer. This has significantly impacted the unit's ability to facilitate and convene Employment Equity Committee meetings	Management to prioritise the filling of vacancies within the Human Resources Department after the approval of the Organogram in the 1st Quarter of the FY
Develop and Adopt Staff Retention Policy by 30 December 2024	Draft Staff Retention Policy	Draft Staff Retention Policy has been workshopped to Council &	The Corporate Services Department will ensure the submission of the Staff

ANNUAL TARGET	ACTUAL	REASONS FOR VARIANCE	PLAN OF CORRECTIVE MEASURES
		Management during Policy Workshop 14-15 May however Council requested that policies be consulted with LLF and undergo a legal vetting process by Legal Section prior submission to Council for adoption	Retention Policy to Legal Section for vetting and comments.  The Staff Retention Policy will be submitted to Council for adoption within the 1st Quarter of the Financial Year by 30 September 2025
Develop and Adopt Staff Succession Plan by 30 December 2024	Draft Staff Succession Plan	Draft Staff Succession Plan has been workshopped to Council & Management during Policy Workshop 14-15 May however Council requested that policies be consulted with LLF and undergo a legal vetting process by Legal Section prior submission to Council for adoption	The Corporate Services Department will ensure the submission of the Staff Succession Plan to Legal Section for vetting and comments.  The Staff Succession Plan will be submitted to Council for adoption within the 1st Quarter of the Financial Year by 30 September 2026
Spend 100% of WSP allocation by 30 June 2025	25%	The HR Unit is currently experiencing capacity challenges due to key vacancies, including the positions of HR Manager and HR Officer, and Skills Development Officer. This has significantly impacted the unit's ability to facilitate training of staff	Management to prioritise the filling of vacancies within the Human Resources Department after the approval of the Organogram in the 1st Quarter of the FY
		The HR Unit is currently experiencing	Management to prioritise the filling of

ANNUAL TARGET	ACTUAL	REASONS FOR VARIANCE	PLAN OF CORRECTIVE MEASURES
		capacity challenges due to key vacancies, including the positions of HR Manager and HR Officer, and Skills Development Officer. This has significantly impacted the unit's ability to develop and monitor Staff Regulation Implementation Plan	vacancies within the Human Resources Department after the approval of the Organogram in the 1st Quarter of the FY
Submit 10 Reports to Portfolio Committee providing an update on Suspensions and Disciplinary Cases by 30 June 2025	6 Reports on Suspensions & Disciplinary Cases submitted to Portfolio Committee	The HR Unit is currently experiencing capacity challenges due to key vacancies, including the positions of HR Manager and HR Officer, Labour Relations Officer and Skills Development Officer. This has significantly impacted the unit's ability to provide reports to portfolio committee	Management to prioritise the filling of vacancies within the Human Resources Department after the approval of the Organogram in the 1st Quarter of the FY
Convene 1 workshop on disciplinary procedure for Middle Management by 30 March 2025	Nil	The HR Unit is currently experiencing capacity challenges due to key vacancies, including the positions of HR Manager and HR Officer, Labour Relations Officer and Skills Development Officer. This has significantly impacted the unit's ability to workshop middle	Corporate Services will consult with SALGA to seek assistance in training middle management on Disciplinary procedure by 30 September 2025

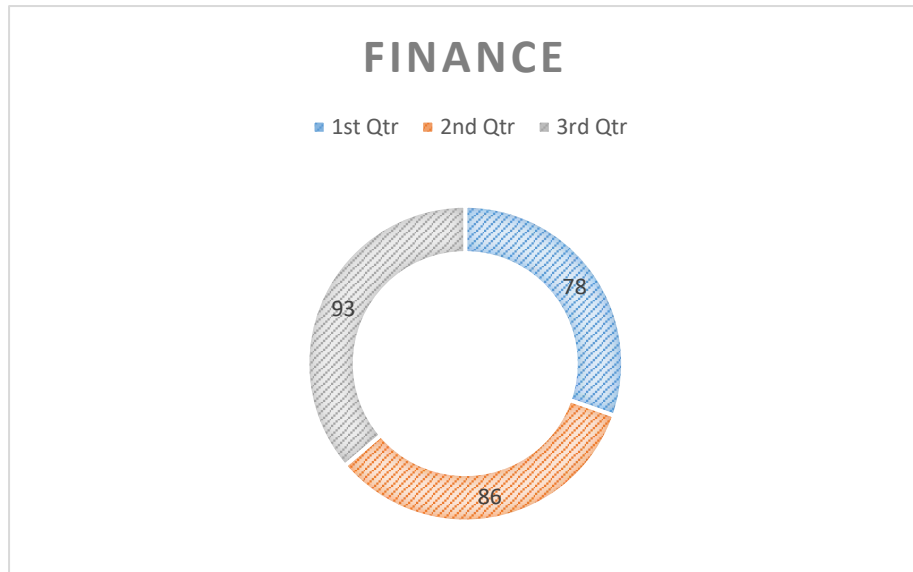
ANNUAL TARGET	ACTUAL	REASONS FOR VARIANCE	PLAN OF CORRECTIVE MEASURES
		management on disciplinary procedure	
Review and Adopt Fleet Management Policy & Procedures by 30 December 2024	Draft Fleet Management Policy	Draft Fleet Management Policy & Procedures has been workshopped to Council & Management during Policy Workshop 14-15 May however Council requested that policies be consulted with LLF and undergo a legal vetting process by Legal Section prior submission to Council for adoption	"The Corporate Services Department will ensure the submission of the Fleet Management Policy to Legal Section for vetting and comments.  The Fleet Management Policy will be submitted to Council for adoption within the 1st Quarter of the Financial Year by 30 September 2025
Develop and Adopt Fleet Replacement Plan by 30 May 2025	Draft Fleet Replacement Plan	Fleet Replacement Plan is at Draft Stages and will require endorsement and adoption by Manco	Corporate Services will submit the Draft Fleet Replacement Plan to Manco for endorsement and then submission to Council for adoption by 30 September 2025
Procure x7 Fleet Vehicles by 30 June 2025	3 Skip Loaders procured	Council re-prioritised the procurement of service delivery refuse skip loaders to Fasttrack service delivery in 2024/2025 hence the procurement of 3 Skip Loaders	Funding allocation for procurement of more fleet vehicles has been allocated for 2025/2026 Financial year
Convene 40 Portfolio Committee meetings by 30 Jun 2025	37 Portfolio Committee Meetings convened	Meetings inquorate	EXCO reported on the non-sitting of Portfolio Committee meetings and made a recommendation to

ANNUAL TARGET	ACTUAL	REASONS FOR VARIANCE	PLAN OF CORRECTIVE MEASURES
			Council for Rules and Ethics Committee to resolve on the matter

## ANALYSIS OF PERFORMANCE – FINANCIAL VIABILITY & MANAGEMENT KPA

The Financial Viability & Management KPA demonstrated **consistent and steady performance** throughout the financial year under review. In **Quarter 1**, the KPA achieved **78%** of its planned targets, which increased to **86%** in **Quarter 2**, and further improved to **93%** in **Quarter 3**.

The chart below indicates planned targets not achieved for the Financial Viability KPA throughout the year under review, reasons for variance and planned corrective measures.



As of **30 June 2025**, the department concluded the financial year with an overall performance of **80%**.

The **targets not achieved** include:

- The planned **95% revenue collection rate**, which fell short of the target.
- The **award of tenders within the 120-day period**, which experienced delays.
- **Payment of Invoices within 30 Days**
- **Adoption of Revenue Enhancement Strategy**

The table below provides in detail the reasons for variance as planned corrective action for targets not achieved under the financial services department for the year under review.

ANNUAL TARGET	ACTUAL	REASONS FOR VARIANCE	PLAN OF CORRECTIVE MEASURE
Collect 95% of revenue by 30 June 2025	85%	With the current economic downturn in South Africa leaving many locals unable to pay rates, plus many ratepayers choosing to join Umdoni Action Group and withhold rates, a percentage of 95% collection is an impossible target to be achieved	A debt relief initiative is currently underway whereby ratepayers who are in arrears for more than 90 days can obtain a discount of up to 50% on their rates when they pay the balance outstanding on their arrears
Review and Adopt Revenue Enhancement Strategy by 30 May 2025	Draft Revenue Enhancement Strategy	The Draft Revenue Enhancement Strategy is still a Draft and has to undergo consultation with Manco & Extended Manco prior submission to Council for adoption	The Draft Revenue Enhancement Strategy will be consulted with Manco & Extended Manco in August 2025 and submitted to Council for Adoption by 30 September 2025

Ensure payment of creditors within 30 Days of receipt of invoice by 30 June 2025	Average of 33 Days	Labour unrest during the first quarter of the financial year resulted in work stoppages, which adversely affected the payment of service providers within the prescribed period	Political Leadership & Snr Management continue to foster a healthy relationship with labour through regular engagements.  Operations have been normalised and payments of service providers are processed on a weekly basis
Finalise tender awards within 120 days of advertisement by 30 June 2025	Over 120 Days	Labour unrest during the first quarter of the financial year resulted in work stoppages, which adversely affected the sitting of Bid-Committees to conclude tenders within 120 days	Political Leadership & Snr Management continue to foster a healthy relationship with labour through regular engagements.  Operations have been normalised and Bid Committees are convening to conclude on tenders

where the office achieved **69%** of its planned targets. Additional constraints included difficulties in conducting **Mayoral Radio Slots** and delays in appointing a service provider for youth training.

In **Quarter 3**, performance declined to **42%**, primarily due to the **adjustment period** and the **inclusion of new indicators** aligned with the **CoGTA Recovery Plan**. These new indicators focused on the **review and development of key communications policies**, including:

- **Communications & Complaints Management Policy**
- **Batho Pele Policy**
- **Social Media Policy**
- **Service Delivery Charter**

These policies are currently in **draft format**, have been **workshopped with Council and Management**, and are undergoing **legal vetting** prior to submission for **Council adoption in Quarter 1 of the 2025/2026 financial year**.

The chart below illustrates performance for the Office of the Municipal Manager throughout the financial year under review.

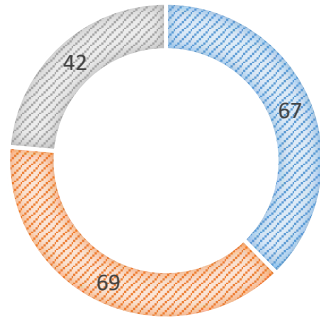
## ANALYSIS OF PERFORMANCE – GOOD GOVERNANCE & PUBLIC PARTICIPATION

The Good Governance KPA had the **highest number of planned indicators** for the year under review. A significant portion of the **non-achieved targets** were impacted by **labour unrests**, particularly in **Quarter 1**, which affected the implementation of key programmes such as the **Empower HER Campaign** and the **Boys to Men Awareness Campaign**. As a result, the office achieved **67%** of its planned targets in Quarter 1.

Further challenges were experienced in sourcing a suitable **service provider to train 57 youth in agriculture**, which continued to affect performance in **Quarter 2**,

## GOOD GOVERNANCE

■ 1st Qtr ■ 2nd Qtr ■ 3rd Qtr



The table below attempts to go into more detail for the reasons for variance/non achievement of planned targets for the Office of the Municipal Manager for the year under review as well as planned corrective measures.

ANNUAL TARGET	ACTUAL	REASON FOR VARIENCE	PLAN OF CORRECTIVE MEASURES
Review and Adopt Policy on Management & Disposal of Immovable Property by 30 December 2024	Draft Disposal of Immovable Property Policy	Draft Disposal of Immovable Property Policy has been workshopped to Council & Management during Policy Workshop 14-15 May however Council requested that policies be undergo a legal vetting process by Legal Section prior	The Legal & Estates Section will ensure the submission of the Policy to Council for adoption within the 1st Quarter of the Financial Year by 30 September 2025

ANNUAL TARGET	ACTUAL	REASON FOR VARIENCE	PLAN OF CORRECTIVE MEASURES
		submission to Council for adoption	
Train 57 umdoni Youth in Agriculture by 30 March 2025	Nil	Labour unrest during the first quarter of the financial year resulted in work stoppages, which adversely affected the implementation of the planned Youth programmes	The Training of 57 Youth in agriculture is planned for implementation in 2025/2026 Financial year during the 1st quarter
Conduct 1 Boys to Men Health Awareness programme by 30 June 2025	Nil	The implementation of the Boys to Health programme was not possible during this financial year due to insufficient funding. The allocated budget was redirected to support the SALGA Games, which were prioritised during the 2nd Quarter	In the new financial year the section will Explore partnerships with NGOs, health department, or private sector sponsors to supplement funding and resources for Health Programmes such as Youth HIV/AIDS awareness campaigns, Gender Based Violence education programmes & Male Circumcision Campaigns
Develop and Adopt Batho Pele Policy by 30 March 2025	Draft Batho Pele Policy	Draft Batho Pele Policy has been workshopped to Council & Management during Policy Workshop 14-15 May however Council requested that policies undergo a legal vetting process by Legal	The Communications Section will ensure the submission of the Batho Pele Policy to Legal Section for vetting and comments.  The Batho Pele Policy will be submitted to Council

ANNUAL TARGET	ACTUAL	REASON FOR VARIANCE	PLAN OF CORRECTIVE MEASURES
		Section prior submission to Council for adoption	for adoption within the 1st Quarter of the Financial Year by 30 September 2025
Review and Adopt Communications & Image Management Strategy by 30 March 2025	Draft Communications & Image Management Strategy	Draft Communications & Image Management Strategy has been workshopped to Council & Management during Policy Workshop 14-15 May however Council requested that policies undergo a legal vetting process by Legal Section prior submission to Council for adoption	The Communications Section will ensure the submission of the Communications & Image Management Strategy to Legal Section for vetting and comments.  The Communications & Image Management Strategy will be submitted to Council for adoption by 30 September 2025
Review and Adopt Customer Care and Complaints Management Policy by 30 March 2025	Draft Customer Care & Complaints Management Policy	Draft Customer Care & Complaints Management Policy has been workshopped to Council & Management during Policy Workshop 14-15 May however Council requested that policies undergo a legal vetting process by Legal Section prior submission to Council for adoption	The Communications Section will ensure the submission of the Draft Customer Care & Complaints Management Policy to Legal Section for vetting and comments.  The Draft Customer Care & Complaints Management Policy will be submitted to Council for adoption by 30 September 2025
Develop and Adopt Social Media Policy by 30 March 2025	Draft Social Media Policy	Draft Social Media Policy has been workshopped to	The Communications Section will ensure the submission of the

ANNUAL TARGET	ACTUAL	REASON FOR VARIANCE	PLAN OF CORRECTIVE MEASURES
		Council & Management during Policy Workshop 14-15 May however Council requested that policies undergo a legal vetting process by Legal Section prior submission to Council for adoption	Draft Social Media Policy to Legal Section for vetting and comments.  The Draft Social Media Policy will be submitted to Council for adoption by 30 September 2025

## CONCLUSION

Since the **2014/2015 financial year**, Umdoni Municipality has consistently received **no findings** on **Performance Management and APO (Annual Performance Report)**. A key factor contributing to this sustained success was the **consistent facilitation and coordination** of the Performance Management System by the **IDP/PMS Manager**, whose role ensured continuity and institutional memory.

While a **change in political leadership** occurred in the **2021 financial year**, this transition did **not significantly impact** the performance management system. This is largely because political leadership plays an **oversight role**, rather than being directly involved in the development or implementation of the system.

However, a **notable shift** occurred in the **2022/2023 financial year** with the appointment of a **new Municipal Manager**. While leadership renewal is essential for institutional stability, the **management style** introduced during this period had **adverse effects** on the performance management system. Specifically:

- The **Extended MANCO** structure, which previously played a critical role in ensuring collaborative planning, reporting, evaluation, and monitoring, was **discontinued**.
- This platform enabled **senior and middle management** to engage on operational challenges, develop corrective measures, and ensure alignment across departments.
- It also served as a **pre-portfolio committee engagement forum**, allowing management to collectively endorse reports before submission to Council, thereby strengthening oversight and accountability.

The absence of this structure has led to:

- A **siload approach** to performance management.
- Reduced **ownership and accountability** from senior management.
- A **regression in audit outcomes** related to AOPO.

## CHAPTER 4: ORGANIZATIONAL PERFORMANCE REPORT PART II

### COMPONENT A: INTRODUCTION TO THE MUNICIPAL PERSONNEL

#### 4.1 EMPLOYEE TOTAL, TURNOVERS AND VACANCIES

The Corporate and Human Resources Department of Umdoni Municipality is comprised of several specialized units, including Human Resources, Organizational Development, Labour Relations, Human Resource Development, Employee Assistance Programme (EAP) and Wellness, as well as Occupational Health and Safety.

The Human Resources Section plays a pivotal role in the municipality, overseeing key functions such as recruitment and selection, labour relations management, payroll and leave administration, staff administration, grading and remuneration, sick leave management, employee wellness initiatives, and rewards and recognition systems. Additional responsibilities include the implementation of performance management systems, talent management and succession planning, scarce skills retention initiatives, policy development and administration, and organizational development.

The table below indicates the number of employees in Umdoni municipality for the year under review.

DEPARTMENT	NUMBER OF EMPLOYEES
Municipal Manager's Office	29
Corporate Services	33
Planning & Development	18
Community Services	177
Financial Services	25

DEPARTMENT	NUMBER OF EMPLOYEES
Technical Services	104
Total	386

Table 4.1.1: Employees

#### TURNOVER RATE

The year under review recorded the highest staff turnover rate compared to previous financial years. A total of three appointments were made, while 20 contract terminations and resignations were recorded during this period.

The table below indicates the municipality's turnover rate for the year under review.

Details	Total App As At Beginning Of Fin Year	Termination During Financial Year	Turnover Rate
Year 0 Fy2023/2024	3	20	201.39

Table 4.2: Turnover rate

## COMPONENT B: MANAGING THE MUNICIPAL WORKFORCE

### 4.2 POLICIES

The Municipality operates under a comprehensive set of policies, which are made accessible to staff and thoroughly workshopped following their approval or adoption by the Municipal Council. However, during the 2023/2024 financial year, Umdoni Municipality encountered several challenges in the development, review, and adoption of these policies.

- Acting Allowance Policy
- Bereavement Policy for Employees
- Employees Wellness Policy
- Internship and Learnership Policy
- Leave Policy
- Night Shift Standby Allowance Policy
- Bursary Policy for Employees
- OHS Policy
- Overtime Policy
- Placement Policy
- Recruitment and Selection Policy
- Skill Development Policy for Employees and Councilors
- Subsistence and Travel Policy
- Transfer Policy
- Housing Allowance Policy
- Attendance of Seminars, external Meeting, Workshop Policy
- Communicable Diseases Policy
- Dress Code Policy
- Employment of Section 56 57 Managers
- Exit Management Policy
- Mentoring
- Municipality Protective Clothing Policy
- Remuneration Policy
- Secondment of Employee Policy

- Sexual Harassment Policy
- Smoking Policy
- Substance Abuse Policy
- Succession Planning Policy
- Work Place Gender Based Violence and Femicide Policy
- Working from Home Policy

- Bylaw Prevention of Public Nuisances
- Confidentiality Policy
- Affirmative Action and Employment Equity Policy
- Employee Assistance & Wellness Policy
- EPWP Policy
- Gift Policy
- Private Work Policy
- Umdoni Incentive Policy
- Dress code

### 4.3 INJURIES, SICKNESS & SUSPENSIONS

During the year under review, three employees sustained injuries while on duty, resulting in a total of 86 sick leave days utilized.

During the year under review, 10 employees faced formal charges, 2 employees were suspended, and 1 case remains ongoing.

### 4.4 PERFORMANCE REWARDS

Performance rewards were not awarded to any senior manager during the year under review. This decision aligns with a resolution taken at Cabinet Lekgotla, stipulating that municipalities with irregular expenditure are not eligible to grant performance rewards to senior management. As Umdoni Municipality incurred irregular expenditure during the year under review, no performance rewards were issued.

## COMPONENT C: CAPACITATING THE MUNICIPAL WORKFORCE

### 4.5 SKILLS DEVELOPMENT & TRAINING

Efficient and effective service delivery remains a top priority for the municipality, supported by well-established capacity development programmes and systems. These include the annual Workplace Skills Plan (WSP), Learnerships, Assisted Education Programme, and staff bursaries.

For the 2023/2024 financial year, the Workplace Skills Plan facilitated the training and development of over 31 staff members, successfully meeting the municipality's training objectives. Details of the training provided to staff are outlined in the table below

Details	Type of Training Intervention	Categories of Employees trained	Number trained
Year – 0 2023/2024	Skills programme (Evidence Based Policy Making and Implementation, Avoiding Irregular, Unauthorised Fruitless and Wasteful Expenditure )	Middle Management	4
	Skills programme (Code 14 drivers license )	Semi-Skilled	10
	Skills programme (Citizen Centred Service Delivery Mechanical Trade Test, Evidence Based Policy Making and Implementation, Evidence Based Policy Making and Implementation, Avoiding Irregular, Unauthorised Fruitless and Wasteful Expenditure)	Clerical & Admin	17
	Short Courses (Municipal Staff Regulations, Basic Payroll Training)		

## CHAPTER 5: FINANCIAL PERFORMANCE

### COMPONENT A: STATEMENTS OF FINANCIAL PERFORMANCE

#### 5.1 STATEMENTS OF FINANCIAL PERFORMANCE

##### uMdoni Municipality

Annual Financial Statements for the year ended 30 June 2025

##### Statement of Financial Performance

Figures in Rand	Note(s)	2025	2024 Restated*
<b>Revenue</b>			
<b>Revenue from exchange transactions</b>			
Sale of goods		3 451 716	2 863 285
Service charges	18	12 430 882	11 151 173
Construction contract revenue		9 988 696	708 696
Rental of facilities and equipment	19	7 339 648	6 827 949
Interest received - Receivables		2 056 441	1 876 589
Agency services	21	2 338 614	2 356 984
Operational revenue	24	483 948	533 412
Interest received - investment	25	14 036 859	14 607 648
Remeasurements relating to employee benefits		-	1 721 917
<b>Total revenue from exchange transactions</b>		<b>52 126 804</b>	<b>42 647 653</b>
<b>Revenue from non-exchange transactions</b>			
Property rates	26	129 634 057	120 535 255
Property rates - penalties imposed	26	14 456 215	12 152 008
Licences and Permits (Non-exchange)	22	3 110 991	2 952 602
Government grants & subsidies	28	247 462 148	234 571 100
Donation Received	29	85 218	3 669 740
Fines, Penalties and Forfeits	20	1 330 462	1 198 393
<b>Total revenue from non-exchange transactions</b>		<b>396 079 091</b>	<b>375 079 098</b>
<b>Total revenue</b>	17	<b>448 205 895</b>	<b>417 726 751</b>
<b>Expenditure</b>			
Employee related costs	30	(162 242 722)	(150 697 668)
Remuneration of councillors	31	(16 853 179)	(16 330 032)
Depreciation and amortisation	33	(42 036 081)	(41 485 136)
Impairment Loss	34	(7 728 303)	(4 572 741)
Finance costs	35	(1 178 195)	(927 123)
Lease rentals on operating lease	23	(221 630)	(2 433 948)
Debt Impairment	37	225 989	(34 274 991)
Bad debts written off	32	(26 419 375)	-
Inventory Consumed	39	(6 145 323)	(7 056 403)
Contracted services	40	(107 542 599)	(107 539 542)
Transfers and Subsidies	27	(3 308 788)	(3 021 456)
Loss on disposal of assets	7	(236 223)	(1 901 383)
Actuarial losses	12	(547 900)	-
Operational Expenditure	38	(56 275 262)	(52 823 339)
<b>Total expenditure</b>		<b>(430 509 591)</b>	<b>(423 063 762)</b>
<b>Surplus (deficit) for the year</b>		<b>17 696 304</b>	<b>(5 337 011)</b>

## 5.2 GRANTS

For the year ended 30 June 2025.

UMDONI MUNICIPALITY							
2024/2025 FINANCIAL YEAR							
SUMMARY OF UNSPENT GRANTS							
DETAILS	2024/25						
	OPENING BALANCE 01 AUGUST 2024	UN-APPROVED/ROLL OVER	ALLOCATION	RECEIVED	BALANCE TO BE RECEIVED	GRANT REALISED/ SPENT	LIABILITY AS AT 30 JUNE 2025
<b>CONDITIONAL GRANT</b>	<b>6 935 351,00</b>	<b>-</b>	<b>80 194 000,00</b>	<b>80 194 000,00</b>	<b>-</b>	<b>75 601 627,96</b>	<b>11 527 723,04</b>
MIG	-	-	38 529 000,00	38 529 000,00	-	38 529 000,00	-
EPWP	-	-	1 249 000,00	1 249 000,00	-	1 249 000,00	-
LIBRARIES GRANT	-	-	10 976 000,00	10 976 000,00	-	10 976 000,00	-0,00
RMG	-	-	1 900 000,00	1 900 000,00	-	1 900 000,00	-
EDTEA GRANT (UMZINTO BUS RANK)	2 091 939,00	-	-	-	-	2 091 680,82	258,18
SMALL REHABILITATION GRANT	3 893,00	-	-	-	-	-	3 893,00
TITLE DEEDS RESTORATION GRANT	587 558,00	-	-	-	-	-	587 558,00
INEP	-	-	11 487 000,00	11 487 000,00	-	11 486 998,98	1,02
MUNICIPAL EMPLOYMENT INITIATIVE	31 147,00	-	-	-	-	-	31 147,00
BEACH INFRASTRUCTURE GRANT	321 415,00	-	-	-	-	-	321 415,00
MUNICIPAL DISASTER RESPONSE GRANT	3 899 399,00	-	-	-	-	3 899 275,71	123,29
MUNICIPAL DISASTER RESPONSE GRANT	-	-	14 853 000,00	14 853 000,00	-	4 574 972,45	10 278 027,55
ENERGYEFFICIENCYAND DEMAND-SIDE MANAGEMENT	-	-	1 200 000,00	1 200 000,00	-	894 700,00	305 300,00
<b>UNCONDITIONAL GRANT</b>	<b>-</b>	<b>-</b>	<b>182 950 000,00</b>	<b>182 890 000,00</b>	<b>60 000,00</b>	<b>-</b>	<b>-</b>
Equitable share	-	-	182 950 000,00	182 890 000,00	60 000,00	-	-
<b>TOTAL UNSPENT GRANTS</b>	<b>6 935 351</b>	<b>-</b>	<b>263 144 000</b>	<b>263 084 000</b>	<b>60 000</b>	<b>75 601 628</b>	<b>11 527 723</b>

## 5.3 ASSET MANAGEMENT

The municipality has established an Asset Management Committee whose primary role is to guide and drive changes while providing oversight for the implementation of asset management processes.

During the year under review, the committee held meetings to evaluate the state of asset management within the municipality, identify shortcomings, and propose solutions and corrective measures. To enhance accountability, asset verifications were conducted more frequently throughout the year. Annual asset verifications also continue to be carried out to ensure the municipal asset register remains up-to-date.

## 5.4 FINANCIAL RATIOS BASED ON KEY PERFORMANCE INDICATORS

Ratio	Formula	Calculation	Percentage
Liquidity Ratio	$\frac{\text{Current Assets}}{\text{Current Liabilities}}$	$\frac{254\,100\,130}{76\,785\,219}$	331%
Solvency Ratio	$\frac{\text{Net Profit} + \text{Depreciation}}{\text{Total Liabilities}}$	$\frac{17\,696\,304 + 42\,036\,081}{124\,583\,197}$	48%
Financial Leverage Ratio	$\frac{\text{Debt}}{\text{Total Assets}}$	$\frac{0}{0}$	0%

	Equity	<u>795 283 070</u>	
Percentage of employee costs against total expense	(Employee Costs - Contribution to postretirement medical aid _____ and long service) _____ Total Expenditure	<u>156 318 725.34</u> 430 509 591	36%
Spending against capital budget	<u>Expenditure</u> Capital Budget	<u>430 509 591</u> <u>51 540 412.21</u>	835%
Own revenue compared to total revenue	<u>Own Revenue</u> Total Revenue	<u>200 882 231.88</u> 448 429 598.36	45%

### **Liquidity Ratio**

The liquidity ratio relates primarily to the financial resources utilised during the operating cycle. It is a measure that depicts that the municipality can meet its short term obligations. The ideal ratio is 2:1 and the municipality has attained a ratio of 3.31:1, which means that the municipality is in a position to be able to pay its short term debt. It should be noted that the majority of the cash is from investment not the primary bank account. Given that this is a service delivery organisation, excess cash is utilised for the alleviation of poverty and the improvement in the lives of the constituents of Umdoni.

### **Solvency Ratio**

The solvency ratio provides an assessment of the likelihood of the municipality to continue congregating its debt obligations. This ratio depicts that the municipality is able to meet its long term debts. The ideal ratio is 20% or greater and therefore the ratio of 48/% represents a financially sound organisation.

### **Financial Leverage Ratio**

The financial leverage ratio indicates the extent to which the municipality relies on debt financing. This depicts that Umdoni is not very reliant on debt funding and is therefore not subject to the associated credit risk. The ratio attained is 0%.

### **Percentage of Employee Costs against Total Expense**

This value is greater than the norm of 30% (attained 36%) as encouraged by Treasury. In acknowledging this, we have begun strict management and control of staff costs and expect a reduction in the upcoming years of the above percentage. A reduction from prior year must also be noted. 2023/2023 financial year attained a ratio of 31% which is a reduction and a step in the right direction.

### **Spending Against Capital Budget**

Capital expenditure has decreased by 9% compared to prior year attaining 80% expenditure in the 2024/2025 financial year. There were several issues affecting the spending of the budget including the low revenue collection; which led to expenditure being kept to a minimum.

### **Own Revenue Compared to Total Revenue**

This indicates that the municipality generates its own revenue of 45% of the total revenue, the balance of which is generated from government grants and subsidies.

## COMPONENT B: SPENDING AGAINST CAPITAL BUDGET

### 5.5 CAPITAL EXPENDITURE

Business Key	Project	Amended Budget	Actual Balance exc Orders
20240310025337	Machinery and Equipment	R43 478,00	R0,00
20250227064711	Machinery and Equipment	R17 391,00	R0,00
<b>Total: Municipal Manager</b>		<b>R60 869,00</b>	<b>R0,00</b>
20210802065159	Furniture and Office Equipment	R173 913,00	R145 000,00
<b>Total: Finance</b>		<b>R173 913,00</b>	<b>R145 000,00</b>
20210317000842	Laptops, Computers and Printers	R869 566,00	R732 503,00
20230719003725	Purchase of Fleet	R4 230 813,00	R4 000 969,00
20210802065128	Furniture and Office Equipment	R434 783,00	R273 700,00
<b>Total: Corporate Services</b>		<b>R5 535 162,00</b>	<b>R5 007 172,00</b>
20250227064702	Installation of water tanks	R52 174,00	R58 677,30
20210802065086	Printer	R0,00	R65 540,88
<b>Total: Libraries</b>		<b>R52 174,00</b>	<b>R124 218,18</b>
20240310025331	Machinery and Equipment	R434 783,00	R420 000,00
<b>Total: Community Facilities</b>		<b>R434 783,00</b>	<b>R420 000,00</b>
20250227064896	MALANGENI BRIDGE (WARD 11)	R12 915 652,00	R3 978 236,91
<b>Total: Fire &amp; Disaster</b>		<b>R12 915 652,00</b>	<b>R3 978 236,91</b>
<b>Total: Community Services</b>		<b>R13 402 609,00</b>	<b>R4 522 455,09</b>
20250227064849	Purchase of Generator	R25 217,00	R0,00
20240310026063	Mandalalathi Hall	R0,00	R0,00
20230719004543	Construction Of Mafithini Tar Road (Ward 08)	R11 895 508,00	R11 895 506,92
20210802065875	Mgangeni Hall	R1 068 004,00	R1 068 003,78
20230719004555	Refurbishment Of Dumisa Community Hall And Skill Center (Ward 5)	R7 118 885,00	R7 118 885,00

20220719996150	Upgrading of Umzinto Sportsfield	R2 608 447,00	R2 608 447,03
20240310026056	Mgangeni Hall	R0,00	R0,00
20240711995682	Renewal of Gardner Street	R2 107 291,00	R2 106 873,79
20210802065842	Mandalalathi Hall	R2 801 102,00	R2 801 102,33
20230719004540	Construction Of Nsongeni Tar Road (Ward 16)	R6 466 794,00	R6 466 793,98
20210802065852	Oswanini Hall	R0,00	R0,00
20240711995676	Installation of Street Lights_EEDSM Grant	R0,00	R0,00
20240711995736	Renewal of Court Road	R6 588 361,00	R5 649 039,55
20250227064705	PURCHASE OF HIGH PRESSURE CLEANER	R34 783,00	R17 327,50
20240711995332	PMU Office Furniture	R86 957,00	R99 498,00
<b>Total: Roads</b>		<b>R40 801 349,00</b>	<b>R39 831 477,88</b>
20250227064699	Purchase of Radios	R104 348,00	R101 400,00
20210802065026	Purchase of Skip Loader	R1 956 522,00	R0,00
<b>Total: Refuse</b>		<b>R2 060 870,00</b>	<b>R101 400,00</b>
<b>Total: Technical</b>		<b>R42 862 219,00</b>	<b>R39 932 877,88</b>
20250610135124	Machinery and Equipment	R0,00	R62 750,00
20250227064746	Furniture and Office Equipment	R223 434,00	R0,00
<b>Total: Building and Control</b>		<b>R223 434,00</b>	<b>R62 750,00</b>
20230719004546	Renewal of Umzinto Informal Trading Infrastructure	R1 819 077,00	R1 818 852,89
20240711995338	Laptops, Computers and Printers	R52 174,00	R51 304,35
<b>Total: General Management</b>		<b>R1 871 251,00</b>	<b>R1 870 157,24</b>
<b>Total: Planning and Development</b>		<b>R2 094 685,00</b>	<b>R1 932 907,24</b>
<b>Total Capital Budget and Expenditure</b>		<b>R64 129 457,00</b>	<b>R51 540 412,21</b>

## 5.6 CAPITAL SPENDING ON 5 LARGEST PROJECTS

VOTE NUMBER	VOTE DESCRIPTION	30 JUNE 2025
		ACTUAL EXPENDITURE
20250227064896	MALANGENI BRIDGE (WARD 11)	12 915 652,00
20230719004543	Construction Of Mafithini Tar Road (Ward 08)	11 895 508,00
20230719004555	Refurbishment Of Dumisa Community Hall And Skill Center (Ward 5)	7 118 885,00
20240711995736	Renewal of Court Road	6 588 361,00
20230719004540	Construction Of Nsongeni Tar Road (Ward 16)	6 466 794,00
20230719003725	Purchase of Fleet	4 230 813,00

## 5.7 SERVICE DELIVERY BACKLOGS

Service delivery backlogs are predominantly experienced in areas where the services fall under the core responsibilities of other state departments or the district municipality. The municipality has received numerous complaints, particularly regarding water and electricity services, with rural areas being the most affected. Additionally, during the last quarter of the year under review, the municipality experienced a backlog in refuse removal services due to labour unrest

## COMPONENT C: CASHFLOW MANAGEMENT & INVESTMENTS

### 5.8 CASHFLOW

The Municipality has maintained a positive cash flow for the year under review, the details of which are shown in the Cash Flow Statement. The net cash and cash equivalents at year end have increased by 8% as compared to previous financial year; and 120% performance against the budgeted net cash increase at year end. The budget approved for the 2022/2023 - 2024/2025 financial years retained the focus on cash availability in order to show a gradual increase in cash balances over the next few years.

#### Standard Bank of SA Limited, Scottburgh Branch - Account No. 05 279 168 8

	2025	2024
Bank statement balance at end of year	16 209 880.00	14 993 307.00

No new borrowings were incurred during the year under review.

#### Investments for the year under review

Investments for the year (incl. call accounts) are as follows:	2025	2024
Standard Bank Of SA Ltd		
Absa	62 512 229,00	22 716 955,00
Nedbank	6 478 860,00	38 243 041,00
First National Bank	25 011 956,00	23 250 604,00

<b>Total interest earned on investments</b>	<b>14 036 859.00</b>	<b>14 607 648.00</b>

## 5.10 PUBLIC AND PRIVATE PARTNERSHIPS

The Municipality had no long term contracts or Public Private Partnerships, for the year under review

### COMPONENT D: OTHER FINANCIAL MATTERS

## 5.11 SUPPLY CHAIN MANAGEMENT

Supply chain management (SCM) is an integral part of financial management. This function integrates the planning, procurement and provisioning processes, and seeks to introduce best practices, whilst at the same time addressing Government's preferential procurement policy objectives.

The accounting officer of a municipality must implement an efficient system of acquisition management, in terms of paragraph 11 of the Municipal Supply Chain Management Regulations, to ensure that:

- a) That goods and services are procured by the municipality in accordance with authorized processes only;
- b) That expenditure on goods and services is incurred in terms of an approved budget in terms of section 15 of the MFMA;
- c) That the threshold values for the different procurement processes are complied with;
- d) That bid documentation, evaluation and adjudication criteria and the general conditions of a contract, are in accordance with any applicable legislation; and
- e) That any Treasury guidelines on acquisition management are properly taken into account.

These are phases that distinguish the SCM processes:

Demand management which deals with the planning process, such as:

- Determination of market strategy.
- Acquisition management which deals with procurement processes, such as:
  9. Identification of preferential policy objectives which include the implementation of BBBEE scorecards as adopted in December 2011; 2023 specific goals were introduced replacing 2017 regulations of BBBEE.
  10. Compilation of tender documentation, including Conditions;
  11. Determination of evaluation criteria;
  12. Evaluation of tenders and tabling of recommendations;
  13. Compilation and signing of contract documents; and
  14. Contract administration (contract register).
  15. Logistics management, which deals with provision of services; and
  16. Disposal management, which deals with disposal of assets once their lifespan has come to an end.

Improvements made in the 2023/2024 financial year included the consolidation of the following:

- Contract register where we monitor the spending of awarded bids;
- Circulation of a checklist schedule for quotations below R200 000, amendments were made to the regulations threshold for Procurement above R30 000, for Local Municipalities to R300 000. All costs inclusive, to ensure full compliance with the requirements of the bid and legislative prescripts;
- Monitoring of the quotation register, where service provider information is updated regularly before an appointment is made;
- Registering of bids awarded to Construction Industry Development Board (CIDB);

- Reporting of awarded bid contracts and quotations to National Treasury on a live feed; above R300 000 only.
- Recording of pre-evaluation/functionality scoring for bids in order to document how the committee arrives at their scoring and the deliberations that took place;
- Recording of all site briefing meetings for us to have documentation on what was discussed and to know changes made; a site meeting register is available for every site meeting taking place .and
- Set dates were designed for BID committee meetings for members to be informed on time and also to be able to prepare for the meetings.

#### Challenges we continue to experience:

- Compliance to SDBIP by user departments as items are not procured according to the procurement plan;
- Committee members not attending the bid committee meetings;
- Bidders not fully completing the bid documents and attaching the necessary information;
- Late submission of requests for procurement from the user departments, which leads to the inability to conclude SCM processes on time. This results in unnecessary extension of contracts;
- Poor understanding of contract management;

Umdoni Municipality complies with the prescribed framework, Section 112 of the Municipal Finance Management Act No. 56 of 2003 (MFMA), when acquiring goods and services in a way that is fair, equitable, transparent, competitive and cost-effective.

#### This is achieved by the following activities:

- We advertise all our bids in public, through Notice Board and on the Municipality website for transparency; and also on E-Tenders as per Regulations.

- We do that in order to obtain value for money as there will be competitive bidding of price and/or proposal offers from various service providers;
- Bids are opened in public and offers are read in public to avoid corruption and tempering with bid prices;
- Intention to award for a successful bidder is published in order to allow objections, if any, from other service providers;
- Unsuccessful bidders are informed in writing of the bid outcome; and
- A bid register is published on the website to offer those who could not make it to the bid opening to have the result of the bid opening.

#### 5.12 GRAP COMPLIANCE

The financial statements have been prepared in accordance with the effective Standards of Generally Recognised Accounting Practices (GRAP), as approved by the Minister of Finance, including any interpretations, guidelines and directives issued by the Accounting Standards Board and the Municipal Finance Management Act, 2003 (Act No. 56 of 2003).

The following GRAP standards have been issued but are not yet effective and have not been adopted by the municipality:

- GRAP 20 Related Party Disclosures
- GRAP 32 Service Concession Arrangements: Grantor
- GRAP 34 Separate Financial Statements
- GRAP 35 Consolidated Financial Statements
- GRAP 36 Investments in Associates and Joint Ventures
- GRAP 37 Joint Arrangements
- GRAP 38 Disclosure of Interests in Other Entities
- GRAP 108 Statutory Receivables
- GRAP 109 Accounting by Principals and Agents
- GRAP 110 Living and Non-living Resources

None of these standards and interpretations are anticipated to have a material impact on the municipality's financial statements. Management has considered all of the foregoing GRAP standards issued but not yet effective and effective and anticipates that the adoption of these standards will not have a significant impact on the financial position, financial performance or cash flows of the municipality.

## CHAPTER 6: AUDITOR GENERAL AUDIT FINDINGS

### Report of the auditor-general to KwaZulu-Natal Provincial Legislature and the council on Umdoni Municipality

#### Report on the audit of the financial statements

##### Qualified opinion

I have audited the financial statements of the Umdoni Municipality out on pages xx to xx which comprise the statement of financial position as at 30 June 2024, statement of financial performance, statement of changes in net assets, cash flow statement and statement of comparison of budget actual amounts for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Umdoni Municipality as at 30 June 2024 and financial performance and cash flows for the year then ended in accordance with the Standards of Generally Recognised Accounting Practice (GRAP) and the requirements of the Municipal Finance Management Act 56 of 2003 (MFMA) and the Division of Revenue Act 5 of 2022 (Dora).

##### Basis for qualified opinion

## COMPONENT A: AUDITOR GENERAL OPINION OF FINANCIAL STATEMENTS YEAR 1(2023/2024)

### *Irregular expenditure*

The municipality did not fully record irregular expenditure in the notes to the financial statements, as required by section 125(2)(d) of the MFMA. This was because expenditure incurred in contravention of the supply chain management (SCM) legislation was not detected and appropriately disclosed in the financial statements. Consequently, I was unable to determine the full extent of the understatement of irregular expenditure, stated at R16,61 million in note 50 to the financial statements as it was impractical to do so.

### Context for opinion

I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the responsibilities of the auditor-general for the audit of the financial statements section of my report.

I am independent of the municipality in accordance with the International Ethics Standards Board for Accountants' *International code of ethics for professional accountants (including International Independence Standards)* (IESBA code) as well as other ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

### **Emphasis of matters**

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

### **Restatement of corresponding figures**

As disclosed in note 54 to the financial statements, the corresponding figures for 30 June 2023 were restated as a result of errors in the financial statements of the entity at, and for the year ended, 30 June 2024.

### **Debt impairment**

Debt impairment disclosed in note 4 to the financial statements receivables from non-exchange transactions, the municipality recognised an allowance for impairment of R106,99 million (2022-23: R87,94 million) on receivables, as the recoverability of these amounts was doubtful.

### **Unspent conditional grants**

As disclosed on note 11 to the financial unspent conditional grants and receipts, the municipality disclosed unspent conditional grants of R6,94 million (2022-23: R8,64 million).

### **Other matters**

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

### **Unaudited disclosure notes**

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

### **Responsibilities of the accounting officer for the financial statements**

The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the SA Standards of GRAP and the requirements of the MFMA and Dora; and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the accounting officer is responsible for assessing the municipality's ability to continue as a going concern; disclosing, as applicable, matters relating to going concern; and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the municipality or to cease operations or has no realistic alternative but to do so.

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

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error; and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and

are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor’s report.

**Report on the audit of the annual performance report**

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

I selected the following development priority presented in the annual performance report for the year ended 30 June 2024 for auditing. I selected a development priority that measures the municipality’s performance on its primary mandated functions and that is of significant national, community or public interest.

Development priority	Page numbers	Purpose
Basic service delivery and infrastructure development	XX	Provision of basic services and infrastructure which includes the rehabilitation of roads, refuse removal and the construction of sports fields

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

I performed procedures to test whether:

the indicators used for planning and reporting on performance can be linked directly to the municipality’s mandate and the achievement of its planned objectives

the indicators are well defined to ensure that they are easy to understand and can be applied consistently, as well as verifiable so that I can confirm the methods and processes to be used for measuring achievements

the targets can be linked directly to the achievement of the indicators and are specific, time bound and measurable to ensure that it is easy to understand what should be delivered and by when, the required level of performance as well as how performance will be evaluated

the indicators and targets reported on in the annual performance report are the same as those committed to in the approved initial or revised planning documents

the reported performance information is presented in the annual performance report in the prescribed manner

there is adequate supporting evidence for the achievements reported and for the measures taken to improve performance

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

The material findings on the reported performance information for the selected development priority are as follows:

### Basic service delivery and infrastructure development

#### Various indicators

Based on the audit evidence, the actual achievements for three indicators did not agree to what was reported. I could not determine the actual achievements, but I estimated them to be materially less. Consequently, the targets were not achieved, the under achievements on the targets were more than reported and the achievements against the targets were lower than reported.

Indicator	Target	Reported achievement
BSD1.4 - Number of meters of Steep Hills upgraded from gravel to concrete	40m	40m
BSD4.1 - Number of Households refuse collected at weekly	11 300	11 300
BSD4.2 - Number of time refuse collected in Businesses and CBDs	365	330

#### Other matters

I draw attention to the matters below.

#### Achievement of planned targets

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

The table that follows provides information on the achievement of planned targets and lists the key service deliver] indicators that were not achieved as reported in the annual performance report. The reasons for any underachievement of targets / measures taken to improve performance are included in the annual performance report on pages xx to xx.

### Basic service delivery and infrastructure development

<i>Targets achieved: 85%</i>		
<i>Budget spent: 81%</i>		
Key service delivery indicator not achieved	Planned target	Reported achievement
Date Stormwater Management System in rural roads maintained	100%	40%
Number of Households electrified in Ward 1	265	260
Number of times refuse collected in Businesses and CBDs	365	330
Number of Community Halls maintained	5	1

Number of Sports fields maintained	5	0
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### Material misstatements

I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were in the reported performance information for Basic service delivery and infrastructure development. Management did not correct all of the misstatements and I reported material findings in this regard.

### Report on compliance with legislation

In accordance with the PAA and the general notice issued in terms thereof, I must audit and report on compliance with applicable legislation relating to financial matters, financial management and other related matters. The accounting officer is responsible for the municipality's compliance with legislation.

I performed procedures to test compliance with selected requirements in key legislation in accordance with the findings engagement methodology of the Auditor-General of South Africa (AGSA). This engagement is not an assurance engagement. Accordingly, I do not express an assurance opinion or conclusion.

Through an established AGSA process, I selected requirements in key legislation for compliance testing that are relevant to the financial and performance management of the municipality, clear to allow consistent measurement and evaluation, while also sufficiently detailed and readily available to report in an understandable manner. The selected legislative requirements are included in the annexure to this auditor's report.

The material findings on compliance with the selected legislative requirements, presented per compliance theme, are as follows:

### *Annual financial statements, annual performance report and annual report*

The financial statements submitted for auditing were not prepared in all material respects in accordance with the requirements of section 122(1) of the MFMA. Material misstatements of current assets, current liabilities, expenditure and disclosure items identified by the auditors in the submitted financial statements were subsequently corrected and the supporting records were provided subsequently, but the uncorrected material misstatements resulted in the financial statements receiving a qualified audit opinion.

### *Expenditure management*

Reasonable steps were not taken to prevent irregular expenditure, as required by section 62(1)(d) of the MFMA. The full extent of the irregular expenditure could not be quantified as indicated in the basis for qualification paragraph. The majority of the disclosed irregular expenditure was caused by non-compliance with supply chain regulations.

Reasonable steps were not taken to prevent fruitless and wasteful expenditure amounting to R0,11 million (2022-23: R2,26 million) as disclosed in note 49 to the annual financial statements, in contravention of section 62(1)(d) of the MFMA. The majority of the fruitless and wasteful expenditure was caused by interest on late payments

Reasonable steps were not taken to prevent unauthorised expenditure amounting to R6,58 million (2022-23: R44,73 million) as disclosed in note 48 to the annual financial statements, in contravention of section 62(1)(d) of the MFMA. The

majority of the unauthorised expenditure is caused by unbudgeted non-cash items.

Money owed by the municipality was not always paid within 30 days as required by section 65(2)(e) of the MFMA.

### ***Procurement and contract management***

Deviations were approved by the accounting officer even though it was not impractical to invite competitive bids, in contravention of SCM Regulation 36(1).

Awards were made to providers who were in the service of other state institutions, in contravention of MFMA 112(1)(j) and SCM Regulation 44. Similar awards were identified in the previous year and no effective steps were taken to prevent or combat the abuse of the SCM process, as required by SCM Regulation 38(1).

### ***Human resource management***

The senior managers did not sign performance agreements within the prescribed period, as required by section 57(2)(a) of the Municipal Systems Act.

Financial interests were not disclosed by the senior managers within 60 days from date of appointment, as required by Regulation on appointment and conditions of employment of senior managers 36(1)(a) on appointment and conditions of employment of senior managers.

### ***Strategic planning and performance***

The performance management system and related controls were inadequate in monitoring and reviewing processes of reporting in the Annual Performance Report, as required by municipal planning and performance management

regulation 7(1). This is evidenced by material accuracy misstatements in reported indicators.

### ***Consequence management***

Sufficient appropriate audit evidence could not be obtained to determine whether unauthorised expenditure incurred by the municipality was investigated to determine if any person is liable for the expenditure, as required by section 32(2)(a) of the MFMA.

Sufficient appropriate audit evidence could not be obtained to determine whether irregular expenditure incurred by the municipality were investigated to determine if any person is liable for the expenditure, as required by section 32(2)(b) of the MFMA.

Sufficient appropriate audit evidence could not be obtained to determine whether fruitless and wasteful expenditure incurred by the municipality was investigated to determine if any person is liable for the expenditure, as required by section 32(2)(b) of the MFMA.

Sufficient appropriate audit evidence could not be obtained to verify whether allegations of financial misconduct laid against officials of the municipality were not investigated, as required by section 171(4)(a) of the MFMA.

### ***Other information in the annual report***

The accounting officer is responsible for the other information included in the annual report. The other information referred to does not include the financial statements, the auditor's report and those selected development priorities presented in the annual performance report that have been specifically reported on in this auditor's report.

My opinion on the financial statements, the report on the audit of the annual performance report and the report on compliance with legislation do not cover the other information included in the annual report and I do not express an audit opinion or any form of assurance conclusion on it.

My responsibility is to read this other information and, in doing so, consider whether it is materially inconsistent with the financial statements and the selected development priority presented in the annual performance report or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

I did not receive the other information prior to the date of this auditor's report. When I do receive and read this information, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary.

### Internal control deficiencies

I considered internal control relevant to my audit of the financial statements, annual performance report and compliance with applicable legislation; however, my objective was not to express any form of assurance on it.

The matters reported below are limited to the significant internal control deficiencies that resulted in the basis for the qualified opinion and the material findings on the annual performance report and the material findings on compliance with legislation included in this report.

Management did not have an effective management records system that assist in easy retrieval for audit purposes. Management did not implement proper internal controls to ensure that appropriate records are maintained to support the audit trail and enhance accurate reporting with GRAP standards and performance management framework. Furthermore, procurement and contract management practices were not always effective in ensuring compliance with relevant laws and regulations.

### Other reports

I draw attention to the following engagement conducted by various parties. The report did not form part of my opinion on the financial statements or my findings on the reported performance information or compliance with legislation.

There are currently two investigations taking place:

- The two investigations are being investigated by the Directorate for Priority Crime Investigations (Hawks). One of which relates to procurement and contract management fraud during the 2020-21 period amounting to R6,7 million, while the other matter investigated by the Hawks relates to the theft of fuel.

**Pietermaritzburg**  
**31 January 2025**



AUDITOR - GENERAL  
SOUTH AFRICA

## COMPONENT B: AUDITOR GENERALS OPINION YEAR 2024/2025

### Report of the auditor-general to KwaZulu-Natal Provincial Legislature and the council on Umdoni Municipality

#### Report on the audit of the financial statements

##### Opinion

I have audited the financial statements of the Umdoni Municipality set out on pages xx to xx which comprise the statement of financial position as at 30 June 2025, statement of financial performance, statement of changes in net assets, cash flow statement and statement of comparison of budget and actual amounts for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Umdoni Municipality as at 30 June 2025 and financial performance and cash flows for the year then ended in accordance with the Standards of Generally Recognised Accounting Practice (GRAP) and the requirements of the Municipal Finance Management Act 56 of 2003 (MFMA) and the Division of Revenue Act 24 of 2024 (Dora).

##### Basis for opinion

I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the responsibilities of the auditor-general for the audit of the financial statements section of my report.

I am independent of the municipality in accordance with the International Ethics Standards Board for Accountants' *International code of ethics for professional accountants (including International Independence Standards)* (IESBA code) as well as other ethical requirements that are relevant to my audit in South Africa. I have

fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

##### Emphasis of matters

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

##### Restatement of corresponding figures

As disclosed in note 46 to the financial statements, the corresponding figures for 30 June 2024 were restated as a result of errors in the financial statements of the municipality at, and for the year ended, 30 June 2025.

##### Allowance for impairment

As disclosed in note 3 and 4 to the financial statements, the municipality recognised an allowance for the impairment of both receivables from exchange transactions and receivables from non-exchange transactions to the value of R37,44 million (2023-24: R35,40 million) and R111,76 million (2023-24: R113,98 million) respectively. Unspent conditional grants

As disclosed on note 11 to the financial statements, the municipality disclosed unspent conditional grants of R11,53 million (2023-24: R6,94 million).

##### Other matters

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

##### Unaudited disclosure notes

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

### Responsibilities of the accounting officer for the financial statements

The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the SA Standards of GRAP and the requirements of the MFMA and Dora; and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the accounting officer is responsible for assessing the municipality's ability to continue as a going concern; disclosing, as applicable, matters relating to going concern; and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the municipality or to cease operations or has no realistic alternative but to do so.

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

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error; and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report.

### Report on the audit of the annual performance report

In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I must audit and report on the usefulness and reliability of

the reported performance against predetermined objectives for the selected development priority presented in the annual performance report. The accounting officer is responsible for the preparation of the annual performance report.

I selected the following development priority presented in the annual performance report for the year ended 30 June 2025 for auditing. I selected a development priority that measures the municipality's performance on its primary mandated functions and that is of significant national, community or public interest.

Development priority	Page numbers	Purpose
Basic service delivery and infrastructure development	XX	Provision of basic services and infrastructure which includes the rehabilitation of roads, refuse removal and the construction of sports fields

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

I performed procedures to test whether:

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

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

I performed the procedures for the purpose of reporting material findings only; and not to express an assurance opinion or conclusion.  
 The material findings on the reported performance information for the selected development priority are as follows:

**Basic service delivery and infrastructure development**

Various indicators

I could not determine the accuracy of various reported achievements, as the indicators were not well defined and I could not verify the methods and processes used to measure the achievements. Consequently, the reported achievements might be more or less than reported and were not reliable for determining if the targets have been achieved.

Indicator	Target	Reported achievement
BSD1.1 - Number of KMs of Roads Rehabilitated	Refurbish 8000m of gravel and concrete sections (1-Jiza Rd ,2-Phondweni Rd,3-Majola Rd, 4-Maphumulu Rd, 5-	Refurbished 6400m of gravel and concrete sections (1-Jiza Rd ,2-Phondweni Rd,3-Majola Rd, 4-Maphumulu Rd, 5-Mbulala Nkukhu,6-

	Mbulala Nkukhu,6-Mndaweni Rd, 7-Mashilo Rd, 8- Mhlangamkhulu Rd, 9-Cele,11-Somkhandu, 13-Ryland,14-VictoRd, 16-Shezi Rd,17-Estaladini Rd, 18-320 Rd & 19-Mathabethe Rd ) by 30 June 2025	Mndaweni Rd, 7-Mashilo Rd, 8- Mhlangamkhulu Rd, 9-Cele,11-Somkhandu, 13-Ryland,14-VictoRd, 16-Shezi Rd,17-Estaladini Rd, 18-320 Rd & 19-Mathabethe Rd ) by 30 June 2025
BSD1.2 - Number of meters of gravel and concrete sections	Refurbish 8000m of gravel and concrete sections (1-Jiza Rd ,2-Phondweni Rd,3-Majola Rd, 4-Maphumulu Rd, 5-Mbulala Nkukhu,6-Mndaweni Rd, 7-Mashilo Rd, 8- Mhlangamkhulu Rd, 9-Cele,11-Somkhandu, 13-Ryland,14-VictoRd, 16-Shezi Rd,17-Estaladini Rd, 18-320 Rd & 19-Mathabethe Rd ) by 30 June 2025	Refurbished 6400m of gravel and concrete sections (1-Jiza Rd ,2-Phondweni Rd,3-Majola Rd, 4-Maphumulu Rd, 5-Mbulala Nkukhu,6-Mndaweni Rd, 7-Mashilo Rd, 8- Mhlangamkhulu Rd, 9-Cele,11-Somkhandu, 13-Ryland,14-VictoRd, 16-Shezi Rd,17-Estaladini Rd, 18-320 Rd & 19-Mathabethe Rd ) by 30 June 2025

Some supporting evidence was not provided for auditing; or, where it was, I identified material differences between the actual and reported achievements. Consequently, the achievements might be more or less than reported and were not reliable for determining if the targets had been achieved.

Indicator	Target	Reported achievement
BSD3.4 - Percentage of Shange Access Road regravelled	Regravel 100% of Shange Access Road by 31 December 2024	Regravelled 100% of Shange Access Road by 31 December 2024
BSD3.5 - Percentage of Hazelwood area (Gravel road) regravelled	Re-gravel 100% Hazelwood Area (Gravel Road) by 31 December 2024	Re-gravelled 100% Hazelwood Area (Gravel Road) by 31 December 2024
BSD3.6 - Percentage of Mphemba Access Road regravelled	Achieved Re-gravel 100% Mphemba Access Road by 31 December 2024	Re-gravelled 100% Mphemba Access Road by 31 December 2024
BSD37 - Percentage of Bushy Grove rehabilitated	Rehabilitate 100% of Bushy Grove by 31 December 2024	Rehabilitated 100% of Bushy Grove by 31 December 2024

BSD4.2 - Percentage of Oswanini Community Hall constructed and completed  
The reported measures taken to improve performance against the underachieved target of 0%, did not agree to the audit evidence. The audit evidence indicated the measures to be leadership and labour engagements and not bid committee sitting as reported in the annual performance report. Consequently, the reported measures are not reliable for helping to understand the actions taken by the municipality to address performance gaps and to assess the effectiveness of strategies to improve future performance against the target.

#### Other matters

I draw attention to the matters below.

#### Achievement of planned targets

The annual performance report includes information on reported achievements against planned targets and provides measures taken to improve performance. This

information should be considered in the context of the material findings on the reported performance information.

The table that follows provides information on the achievement of planned targets and lists the key service delivery indicators that were not achieved as reported in the annual performance report. The reasons for any underachievement of targets / measures taken to improve performance are included in the annual performance report on pages xx to xx.

#### Basic service delivery and infrastructure development

<i>Targets achieved: 79%</i>		
Key service delivery indicator not achieved	Planned target	Reported achievement
Number of meters of gravel and concrete sections	Refurbish 8000m of gravel and concrete sections (1-Jiza Rd ,2-Phondweni Rd,3-Majola Rd, 4-Maphumulu Rd, 5-Mbulala Nkukhu,6-Mndaweni Rd, 7-Mashilo Rd, 8- Mhlangamkhulu Rd, 9-Cele,11-Somkhandu, 13-Ryland,14-VictoRd, 16-Shezi Rd,17-Estaladini Rd, 18-320 Rd & 19-Mathabethe Rd ) by 30 June 2025	Refurbished 6400m of gravel and concrete sections (1-Jiza Rd ,2-Phondweni Rd,3-Majola Rd, 4-Maphumulu Rd, 5-Mbulala Nkukhu,6-Mndaweni Rd, 7-Mashilo Rd, 8- Mhlangamkhulu Rd, 9-Cele,11-Somkhandu, 13-Ryland,14-VictoRd, 16-Shezi Rd,17-Estaladini Rd, 18-320 Rd & 19-Mathabethe Rd ) by 30 June 2025
Percentage of Nsongeni Road upgraded from Gravel to Asphalt	Upgrade 100% of Nsongeni Road from Gravel to Asphalt by 30 June 2025	Upgraded 58% of Nsongeni Road from Gravel to Asphalt by 30 June 2025

Percentage of Dumisa Community Halls and Skills Centre Refurbished	Refurbish 100% of Dumisa Community Hall and Skills Centre by 30 June 2025	Refurbished 70% of Dumisa Community Hall and Skills Centre by 30 June 2025
Percentage of Oswanini Community Hall constructed and completed	Construct and Complete 30% of Oswanini Community Hall by 30 June 2025	Constructed and Completed 0% of Oswanini Community Hall by 30 June 2025

### Material misstatements

I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were in the reported performance information for Basic service delivery and infrastructure development. Management did not correct all of the misstatements and I reported material findings in this regard.

### Report on compliance with legislation

In accordance with the PAA and the general notice issued in terms thereof, I must audit and report on compliance with applicable legislation relating to financial matters, financial management and other related matters. The accounting officer is responsible for the municipality's compliance with legislation.

I performed procedures to test compliance with selected requirements in key legislation in accordance with the findings engagement methodology of the Auditor-General of South Africa (AGSA). This engagement is not an assurance engagement. Accordingly, I do not express an assurance opinion or conclusion.

Through an established AGSA process, I selected requirements in key legislation for compliance testing that are relevant to the financial and performance management of the municipality, clear to allow consistent measurement and evaluation, while also sufficiently detailed and readily available to report in an understandable manner. The selected legislative requirements are included in the annexure to this auditor's report.

The material findings on compliance with the selected legislative requirements, presented per compliance theme, are as follows:

### Annual financial statements, annual performance report and annual report

The financial statements submitted for auditing were not prepared in all material respects in accordance with the requirements of section 122(1) of the MFMA. Material misstatements of current assets, current liabilities, expenditure and disclosure items identified by the auditors in the submitted financial statements were subsequently corrected, resulting in the financial statements receiving an unqualified audit opinion.

### Expenditure management

Reasonable steps were not taken to prevent unauthorised expenditure amounting to R26,42 million (2023-24: R6,58 million) as disclosed in note 49 to the annual financial statements, in contravention of section 62(1)(d) of the MFMA. The majority of the unauthorised expenditure is caused by unbudgeted non-cash items.

Reasonable steps were not taken to prevent fruitless and wasteful expenditure amounting to R0,27 million (2023-24 R0,11 million) as disclosed in note 50 to the annual financial statements, in contravention of section 62(1)(d) of the MFMA. The majority of the fruitless and wasteful expenditure was caused by interest on late payments.

Reasonable steps were not taken to prevent irregular expenditure amounting to R303,31 million (2023-24: R16,36 million) as disclosed in note 51 to the annual financial statements, in contravention of section 62(1)(d) of the MFMA. The majority of the disclosed irregular expenditure was caused by non-compliance with supply chain regulations.

## Procurement and contract management

Deviations were approved by the accounting officer even though it was not impractical to invite competitive bids, in contravention of SCM Regulation 36(1). Similar non-compliance was also noted in the prior year.

Awards were made to providers who were in the service of other state institutions, in contravention of MFMA 112(1)(j) and SCM Regulation 44. Similar awards were identified in the previous year and no effective steps were taken to prevent or combat the abuse of the SCM process, as required by SCM Regulation 38(1).

## Human resource management

Financial interests were not disclosed by the senior managers within 60 days from date of appointment, as required by Regulation on appointment and conditions of employment of senior managers 36(1)(a) on appointment and conditions of employment of senior managers.

## Strategic planning and performance

The performance management system and related controls were inadequate as they did not ensure that effective monitoring, reviewing and reporting processes were conducted, as required by municipal planning and performance management regulation 7(1). This is evidenced by material findings in the reported indicators.

### Consequence management

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

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

## Other information in the annual report

The accounting officer is responsible for the other information included in the annual report. The other information referred to does not include the financial statements, the auditor's report and those selected development priority presented in the annual performance report that have been specifically reported on in this auditor's report. My opinion on the financial statements, and my reports on the audit of the annual performance report and compliance with legislation do not cover the other information included in the annual report and I do not express an audit opinion or any form of assurance conclusion on it.

My responsibility is to read this other information and, in doing so, consider whether it is materially inconsistent with the financial statements and the selected development priority presented in the annual performance report or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

I did not receive the other information prior to the date of this auditor's report. When I do receive and read this information, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary.

## Internal control deficiencies

I considered internal control relevant to my audit of the financial statements, annual performance report and compliance with applicable legislation; however, my objective was not to express any form of assurance on it.

The matters reported below are limited to the significant internal control deficiencies that resulted in the basis for the material findings on the annual performance report and the material findings on compliance with legislation included in this report.

Management did not have an effective management records system that assist in easy retrieval for audit purposes. Management did not implement proper internal controls to ensure that appropriate records are maintained to support the audit trail and enhance accurate reporting with GRAP standards and performance

management framework. Furthermore, procurement and contract management practices were not always effective in ensuring compliance with relevant laws and regulations.

### Other reports

I draw attention to the following engagement conducted by various parties. The report did not form part of my opinion on the financial statements or my findings on the reported performance information or compliance with legislation.

#### There are currently two investigations taking place:

- The two investigations are being investigated by the Directorate for Priority Crime Investigations (Hawks). One of which relates to procurement and contract management fraud during the 2020-21 period amounting to R6,7 million, while the other matter investigated by the Hawks relates to the theft of fuel.

Pietermaritzburg  
30 November 2025



AUDITOR - GENERAL  
SOUTH AFRICA

*Auditing to build public confidence*

**APPENDIX A: COUNCILLORS, COMMITTEE ALLOCATION & ATTENDANCE**

COUNCILLOR NAME	FULL TIME/PART TIME	COMMITTEE ALLOCATED COUNCIL / SPECIAL COINCIL	COMMITTEE ALLOCATED EXCO / SPECIAL EXCO 7 MEMBERS + SPEAKER ANC – 4 DA – 1 IFP – 1	COMMUNITY ALLOCATED PLANNING & DEVELOPMENT 6 MEMBERS: ANC – 4 EFF – 1 DA – 1	COMMUNITY ALLOCATED COMMUNITY SERVICES 7 MEMBERS : ANC – 3 IFP – 2 DA – 1 EFF – 1	COMMUNITY ALLOCATED FINANCE PORTFOLIO 8 MEMBERS : ANC – 3 DA – 2 IFP – 1 AL JAMA -AH – 1 EFF - 1	COMMUNITY ALLOCATED CORPORATE GOVERNANCE 8 MEMBERS : ANC – 4 IFP – 1 DA – 1 IFP – 1 ABC -1	COMMITTEE ALLOCATED INFRASTR. & HOUSING 8 MEMBERS : ANC – 4 DA – 1 IFP – 1 AM4C – 1	COMMITTEE ALLOCATED MPAC 11 MEMBERS : ANC – 4 AL JAMA-HA – 1 AM4C – 1 DA – 3 IFP – 1 EFF - 1
NO. OF MEETINGS HELD JULY 2024 - JUNE 2025		25 MEETINGS	18 MEETINGS	8 MEETINGS	7 MEETINGS	8 MEETINGS	9 MEETINGS	8 MEETINGS	8 MEETINGS
S ZULU	PT	22 OF 25	N/A	N/A	N/A	N/A	8 OF 9	7 OF 8	N/A
MR MADLALA	PT	23 OF 25	N/A	N/A	N/A	N/A	7 OF 9	N/A	N/A
ME MBUTHO [SPEAKER]	PT	25 OF 25	N/A	N/A	N/A	N/A	N/A	N/A	N/A
MA MBANJWA	PT	18 OF 25	N/A	6 OF 8	N/A	N/A	N/A	N/A	3 OF 8
GM PHUNGULA	PT	21 OF 25	N/A	N/A	5 OF 7	N/A	N/A	N/A	6 OF 8
LR DLAMINI	PT	23 OF 25	N/A	N/A	N/A	N/A	7 OF 9	N/A	N/A
WS MTHWANE	PT	23 OF 25	N/A	N/A	N/A	N/A	N/A	8 OF 8	N/A
SHE MNGOMA	PT	23 OF 25	N/A	N/A	N/A	7 OF 8	N/A	N/A	N/A
PE THABETHE [DEPUTY MAYOR]	FULL TIME	23 OF 25	17 OF 18	N/A	N/A	N/A	N/A	8 OF 8	N/A
PN NOMBIKA	PT	17 OF 25	N/A	5 OF 8	N/A	N/A	N/A	N/A	N/A
BA CELE	PT	23 OF 25	N/A	N/A	7 OF 7	N/A	N/A	N/A	7 OF 8
MJ CELE [MAYOR]	FULL TIME	25 OF 25	18 OF 18	N/A	N/A	8 OF 8	N/A	N/A	N/A
NL NKOMO	PT	17 OF 25	N/A	6 OF 8	N/A	N/A	N/A	N/A	N/A
TN NZAMA	PT	22 OF 25	N/A	6 OF 8	N/A	N/A	N/A	N/A	8 OF 8
SV KHANYILE	PT	16 OF 25	N/A	N/A	N/A	5 OF 8	N/A	N/A	N/A
P NAIDOO	FULL TIME	24 OF 25	18 OF 18	N/A	N/A	N/A	9 OF 9	N/A	N/A
ZKW JEZA	PT	21 OF 25	N/A	N/A	5 OF 7	N/A	N/A	N/A	N/A
RS MAHARAJ	PT	24 OF 25	11 OF 18	N/A	N/A	N/A	N/A	8 OF 8	N/A
AT CUTTEN	PT	25 OF 25	N/A	N/A	N/A	N/A	N/A	8 OF 8	3 OF 8
S SOOKHRAJ	PT	23 OF 25	N/A	N/A	6 OF 7	N/A	N/A	N/A	7 OF 8
D DANIELS	PT	19 OF 25	N/A	N/A	N/A	Singh - 1/Daniels - 6	N/A	N/A	2 OF 8
R MYNHARDT/MIYA	PT	20 OF 25	N/A	N/A	N/A	Mynhardt - 1/Mahomed - 1	Mynhardt-6/Daniels-3	N/A	Mynhardt - 4
SD MDLULI	FULL TIME	24 OF 25	13 OF 18	8 OF 8	N/A	N/A	N/A	N/A	2 OF 8
S MAHOMED	PT	21 OF 25	N/A	N/A	N/A	N/A	N/A	N/A	6 OF 8
S MZELEMU	PT	12 OF 25	N/A	N/A	N/A	N/A	5 OF 9	N/A	N/A
MP TENZA	PT	23 OF 25	N/A	N/A	N/A	N/A	N/A	3 OF 8	N/A
JM NDLELA	PT	24 OF 25	N/A	N/A	N/A	5 OF 8	N/A	N/A	4 OF 8
GS DLAMINI	FULL TIME	20 OF 25	16 OF 18	N/A	7 OF 7	N/A	N/A	N/A	N/A
MJ NGUBO	PT	21 OF 25	N/A	5 OF 8	N/A	N/A	N/A	N/A	N/A
ZZ DUMA	FULL TIME	17 OF 25	15 OF 18	8 OF 8	N/A	N/A	N/A	N/A	N/A
CN GUMEDE	PT	18 OF 25	NA/	N/A	N/A	N/A	N/A	4 OF 8	3 OF 8
SN SHEZI	PT	20 OF 25	NA/	N/A	N/A	N/A	5 OF 9	N/A	N/A
PK KHUMALO	PT	15 OF 25	NA/	N/A	6 OF 7	N/A	N/A	N/A	N/A
Z MOLIFE	PT	21 OF 25	NA/	N/A	N/A	7 OF 8	N/A	N/A	N/A
RB BHOOLA	PT	22 OF 25	NA/	N/A	N/A	N/A	N/A	8 OF 8	7 OF 8
MA KHAN	PT	24 OF 25	NA/	N/A	N/A	8 OF 8	N/A	N/A	8 OF 8
SA ZOKO	PT	24 OF 25	NA/	N/A	7 OF 7	N/A	N/A	N/A	N/A



**COUNCILLORS ATTENDANCE AT EXCO & SPECIAL EXCO MEETINGS :**

**01 JULY 2024 – 30 JUNE 2025**

DATE OF MEETING	ANC	ANC	ANC	ANC	DA	IFP	EFF	
	CLLR MJ CELE-LUTHULI [MAYOR]	CLLR PE THABETHE [DEPUTY MAYOR]	CLLR P NAIDOO	CLLR RS MAHARAJ	VACANT	CLLR GS DLAMINI	CLLR ZZ DUMA	
SE 15 JULY 2024	1	ABSENT	1	1			1	1
SE 29 JULY 2024 [INQUORATE]								
SE 31 JULY 2024 [INQUORATE]								
SE 05 AUGUST 2024								
SE 12 AUGUST 2024								
<b>EXCO MEMBERS/BRIEFING</b> 16 August 2024								
SE 19 AUGUST 2024								
SE 29 AUGUST 2024	1	1	1	1			1	ABSENT
19 September 2024	1	1	1	1			1	1
22 October 2024	1	1	1	1			1	1
20 November 2024	1	1	1	1			1	ABSENT
					<b>CLLR SD MDLULI</b>			
06 February 2025	1	1	1		1	<b>APOLOGY</b>	1	
12 February 2025	1	1	1	[OBSERVER STATUS]	1	1	1	
24 February 2025	1	1	1	1	1	<b>APOLOGY</b>	1	
18 March 2025	1	1	1	[Refer to Council Minutes dated 26 March 2025]	1	1	1	
24 March 2025	1	1	1		1	1	1	
28 March 2025	1	1	1		1	1	<b>APOLOGY</b>	
SE 3 APRIL 2025	1	1	1	VACANT	1	1	1	
SE 08 APRIL 2025	1	1	1		1	1	1	
22-Apr-25	1	1	1		1	1	1	
22-May-25	1	1	1		1	1	1	
SE 03 JUNE 2025	1	1	1		1	1	1	
SE 11 JUNE 2025	1	1	1		1	1	1	
19-Jun-25	1	1	1		1	1	1	

<b>FINANCE SERVICES PORTFOLIO COMMITTEE MEETING: 01 JULY 2024 - 30 JUNE 2025</b>										
	ANC	ANC	ANC	DA	DA	AL JAMAH	EFF	IFP	AMAKHOSI	
DATE OF MEETING	CLLR MJ CELE-LUTHULI (CHAIR)	CLLR SV KHANYILE	CLLR SHE MNGOMA	CLLR S SINGH	CLLR R MYNHARDT	CLLR MA KHAN	CLLR Z MOLEFE	CLLR JM NDELELA	INKOSI CELE	INKOSI BE MBHELE
<b>RECESS – JULY 2024</b>										
<b>13-Aug-24</b>	<b>MUNICIPAL OFFICES CLOSED</b>									
17-Sept-24	1	1	1	1	1	1	1	1	ABSENT	ABSENT
16-Oct-24	1	ABSENT	1	CLLR DANIELS	CLLR MAHOMED	1	1	1	ABSENT	ABSENT
15-Nov-24	1	1	1	1	1	1	1	ABSENT	ABSENT	ABSENT
14-Feb-25	1	1	1	1	1	1	1	APOLOGY	ABSENT	ABSENT
14-Mar-25	1	ABSENT	1	1	1	1	1	1	ABSENT	ABSENT
16-Apr-25	1	1	1	LOA	APOLOGY	1	1	1	ABSENT	ABSENT
14-May-25	1	APOLOGY	1	1	1	1	1	1	ABSENT	ABSENT
13-Jun-25	1	1	LOA	1	1	1	ABSENT	ABSENT	ABSENT	ABSENT

<b>COMMUNITY SERVICES PORTFOLIO COMMITTEE MEETING: 01 JULY 2024 - 30 JUNE 2025</b>										
	IFP	ANC	ANC	ANC	EFF	DA	IFP	AMAKHOSI		
DATE OF MEETING	CLLR GS DLAMINI (CHAIRPERSON)	CLLR GM PHUNGULA	CLLR ZKW JEZA	CLLR BA CELE	CLLR PK KHUMALO	CLLR S SOOKHRAJ	CLLR SA ZOKO	INKOSI MP NGCOBO	INKOSI CELE	
<b>RECESS – JULY 2024</b>										
<b>07-Aug-24</b>	<b>MUNICIPAL OFFICES CLOSED</b>									
04-Sept-24	1	1	1	1	1	1	1	ABSENT	ABSENT	
02-Oct-24	1	ABSENT	1	1	APOLOGY	1	1	ABSENT	ABSENT	
12-Nov-24	1	ABSENT	ABSENT	1	1	1	1	ABSENT	ABSENT	
05-Feb-25	1	1	ABSENT	1	1	1	1	ABSENT	ABSENT	
05-Mar-25	1	1	1	1	1	1	1	ABSENT	ABSENT	
16-Apr-25	1	1	1	1	1	LOA	1	ABSENT	ABSENT	
07-May-25	1	1	1	1	1	1	1	ABSENT	ABSENT	

**CORPORATE GOVERNANCE PORTFOLIO COMMITTEE MEETING: 01 JULY 2024 - 30 JUNE 2025**

	ANC	ANC	ANC	ANC	IFP	DA	EFF	AMAKHOSI	
DATE OF MEETING	CLLR P NAIDOO (CHAIRPERSON)	CLLR S ZULU	CLLR MR MADLALA	CLLR LR DLAMINI	CLLR S MZELEMU	CLR R MYNHARD	CLLR SN SHEZI	INKOSI BE MBHELE	INKOSI NH NCWANE
<b>RECESS – JULY 2024</b>									
<b>08-Aug-24</b>	<b>MUNICIPAL OFFICES CLOSED</b>								
<b>05-Sept-24</b>	1	1	1	1	1	1	ABSENT	ABSENT	ABSENT
<b>SCG 17 SEPTEMBER 2024</b>	1	1	1	1	1	1	1	ABSENT	ABSENT
<b>08-Oct-24</b>	1	1	ABSENT	1	1	1	ABSENT	ABSENT	ABSENT
<b>07-Nov-24</b>	1	1	1	APOLOGY	ABSENT	1	1	ABSENT	ABSENT
<b>10- Feb -25 - Inquorate</b>	1	ABSENT	ABSENT	1	ABSENT	1	ABSENT	ABSENT	ABSENT
<b>12-Feb-25 - ReScheduled</b>	1	1	1	1	1	1	1	ABSENT	ABSENT
<b>28-Mar-25</b>	1	1	1	1	1	<b>CLLR DANIELS</b>	ABSENT	ABSENT	ABSENT
<b>15-Apr-25</b>	1	1	1	ABSENT	ABSENT	1	1	ABSENT	ABSENT
<b>08-May-25</b>	1	1	1	1	1	1	1	ABSENT	ABSENT

<b>PLANNING AND DEVELOPMENT PORTFOLIO COMMITTEE MEETING: 01 JULY 2024 - 30 JUNE 2025</b>									
	EFF	ANC	ANC	DA	ANC	ANC	AMAKHOSI		
DATE OF MEETING	CLLR ZZ DUMA (CHAIRPERSON)	CLLR PN NOMBIKA	CLLR NL NKOMO	CLLR SD MDLULI	CLR MA MBANJWA	CLLR TN NZAMA	INKOSI LM	NIKOSI MP	
							SHOZI	DUMA	
<b>RECESS – JULY 2024</b>									
<b>02-Aug-24</b>	<b>MUNICIPAL OFFICES CLOSED</b>								
<b>06-Sept-24</b>	1	1	1	1	1	ABSENT	ABSENT	ABSENT	
							<b>IFP</b>	<b>INKOSI LM</b>	<b>NIKOSI MP</b>
							<b>CLLR MJ NGUBO [NEW MEMBER]</b>	<b>SHOZI</b>	<b>DUMA</b>
<b>04-Oct-24</b>	1	1	1	1	1	1	ABSENT	ABSENT	ABSENT
<b>07-Nov-24</b>	1	1	APOLOGY	APOLOGY	1	1	1	ABSENT	ABSENT
<b>07 Feb-25-Inquorate</b>	1	ABSENT	ABSENT	1	1	1	ABSENT	ABSENT	ABSENT
<b>13 Feb-25-Rescheduled</b>	1	1	1	1	ABSENT	1	1	ABSENT	ABSENT
<b>07-Mar-25</b>	1	APOLOGY	1	1	1	1	1	ABSENT	ABSENT
<b>14-Apr-25</b>	1	APOLOGY	1	1	1	1	1	ABSENT	ABSENT
<b>13-May-25</b>	1	1	1	1	APOLOGY	APOLOGY	1	ABSENT	ABSENT

**INFRASTRUCTURE & HOUSING PORTFOLIO COMMITTEE MEETING: 01 JULY 2024 - 30 JUNE 2025**

	ANC	ANC	ANC	ANC	DA	EFF	IFP	AM4C	AMAKHOSI	
DATE OF MEETING	CLLR PE THABETHE (CHAIRPERSON)	CLLR WS MTHWANE	CLLR S ZULU	[NEW MEMBER] CLLR RS MAHARAJ	CLLR AT CUTTEN	CLLR CN GUMEDE	CLLR MP TENZA	CLLR RB BHOOLA	INKOSI MKHIZE	INKOSI MP NGCOBO
<b>RECESS – JULY 2024</b>										
06-Aug-24	<b>MUNICIPAL OFFICES CLOSED</b>									
03-Sept-24	1	1	1	1	1	1	ABSENT	1	ABSENT	ABSENT
01-Oct-24	1	1	1	1	1	1	ABSENT	1	ABSENT	ABSENT
05-Nov-24	1	1	1	1	1	1	1	1	ABSENT	ABSENT
04-Feb-25	1	1	1	1	1	APOLOGY	1	1	ABSENT	ABSENT
Ajourned Meeting- 14-Feb-25	1	1	ABSENT	1	1	ABSENT	ABSENT	1	ABSENT	ABSENT
04-Mar-25	1	1	1	1	1	1	1	1	ABSENT	ABSENT
06-May-25	1	1	1	1	1	ABSENT	APOLOGY	1	ABSENT	ABSENT
27-Jun-25	1	1	1	1	1	ABSENT	ABSENT	1	ABSENT	ABSENT

**APPENDIX B – COMMITTEE AND COMMITTEE PURPOSES**

**COMMITTEES (OTHER THAN MAYORAL / EXECUTIVE COMMITTEE AND PURPOSE OF COMMITTEE**

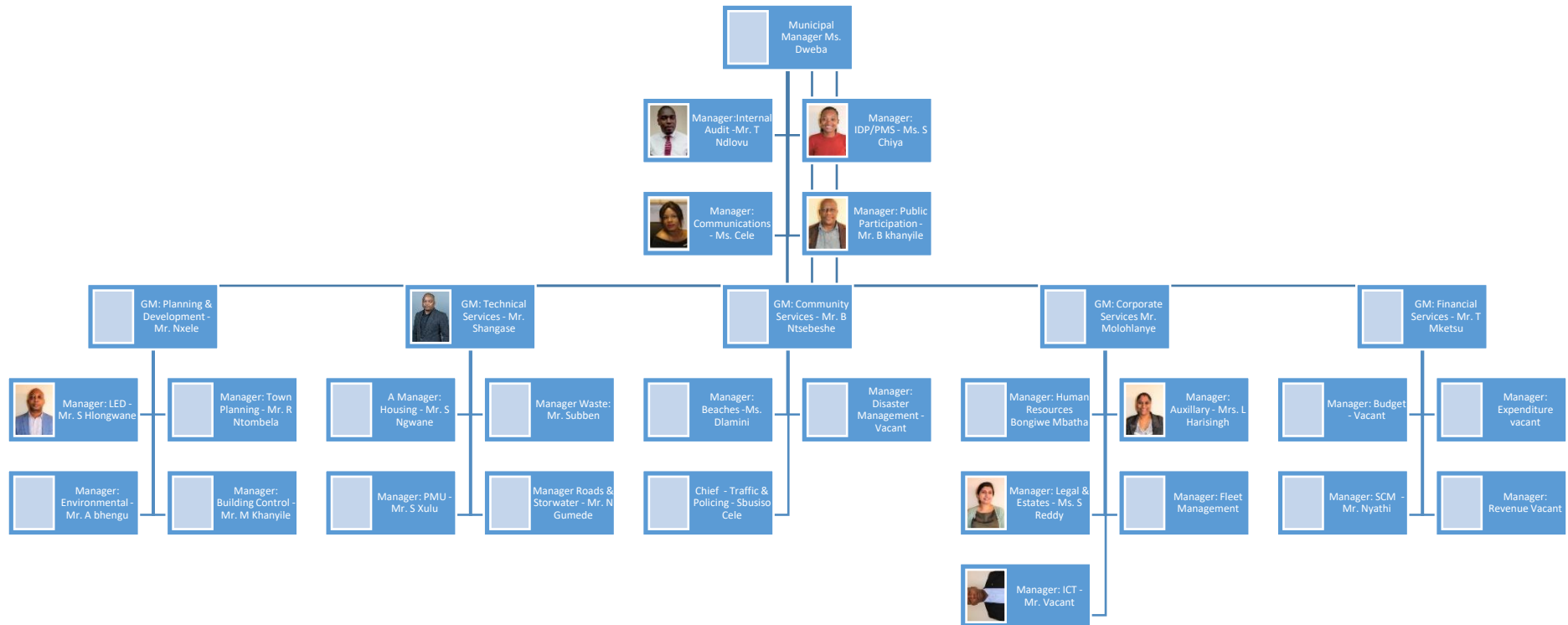
COMMITTEE	PURPOSE OF COMMITTEE
<b>Finance Committee</b>	The Finance Committee reports to EXCO in respect of the following : Financial Planning, financial policies, financial management and financial reports, administration, bylaws regulations and associated procedures and debt recovery.
<b>Planning &amp; Development Committee</b>	The Planning & Development Committee reports to EXCO in respect of the following: - Building Inspectorate Town Planning LED Environmental Matters
<b>Infrastructure and Housing</b>	The Infrastructure & Housing Committee reports to EXCO in respect of the following: - Service Delivery & Administration; Development Management; Funding; Planning and Maintenance Housing
<b>Corporate Governance</b>	The Corporate Governance Committee reports to EXCO in respect of the following: - Labor related matters; Employment Equity Human Resource Management Skills Development Occupational Health & Safety Business Continuity Planning Council and Support and auxiliary services Records Management Information and Communications Technology Enterprise Security Corporate Strategies, systems and services Performance Management Corporate Communications Legal Services Organizational development

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<b>Community Services</b>	The Community Services Committee reports to EXCO in respect of the following: - Libraries; Beaches Building Maintenance, public facilities, sportsfield, cemeteries, Thusong center, parks and gardens Protection Services, fire and disaster
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**APPENDIX C: THIRD TIER ADMINISTRATIVE STRUCTURE**



**APPENDIX D – POWERS & FUNCTIONS OF MUNICIPALITY/ENTITY**

<b>Ref. No</b>	<b>Type</b>	<b>Local</b>	<b>District</b>
1.	Air Pollution	X	
2.	Building Regulations	X	
3.	Child Care Facilities	X	
4.	Electricity Reticulation		ESKOM
5.	Fire Fighting Services		X
6.	Local Tourism	Shared	
7.	Municipal Airports	Shared	
8.	Municipal Health Services	Shared	
9.	Municipal Public Transport		X
10.	Pontoons, Ferries, Jetties, Piers and Harbours	X	
11.	Stormwater Management Systems in Built – up areas	X	
12.	Trading Regulations	X	
13.	Potable Water		X
14.	Sanitation		X
15.	Billboards and the display of Advertisements in Public Areas	X	
16.	Cemeteries, Funeral Parlours and Crematoria	Shared	
17.	Cleansing	X	
18.	Control of Public Nuisances	X	
19.	Control of undertakings that Sell Liquor to the Public	X	
20.	Facilities for the Accommodation, Care and Burial of Animals	X	
21.	Fencing & Fences	X	
22.	Licensing of Dogs	X	
23.	Licensing and Control undertakings that sell food to the Public	X	
24.	Local Amenities	X	
25.	Local Sport Facilities	X	
26.	Markets	Shared	
27.	Municipal Abattoirs	Shared	
28.	Municipal Parks & Recreation	X	
29.	Municipal Roads	Shared	
30.	Noise Pollution	X	
31.	Pounds	X	
32.	Public Places	X	
33.	Refuse Removal, Refuse Dumps and Solid Waste	X	
34.	Street Trading	X	
35.	Street Lighting	X	

## **APPENDIX E: WARD INFORMATION**

Section 152 of the Constitution places the participation of communities at the centre of service delivery and other matters of Local Government. The Municipal Structures Act and the Municipal Systems Act provide the legislative framework for the establishment of Ward Committees within the Municipality and its area of jurisdiction. Ward Committees were introduced in Municipalities as community structures to play a critical role in linking informing the municipality about needs, potentials and challenges of the communities.

### **Establishment of Ward Committees**

Notice was given in terms of Chapter 4 of the Local Government Municipal Systems Act of 2000 and Part 4 of Chapter 4 of the Municipal Structures Act of 1998 for the establishment of Ward Committees in all wards that fall within the jurisdiction of Umdoni Municipality. A ward committee was established for each ward in the Municipality. Umdoni is a sub-divided into 19 Wards composing of Rural and Urban components.

To enable Ward Committees to perform their functions and exercise their powers effectively, a fully equipped office was allocated to the Ward Secretariat to perform his/her duties. The provision of these facilities is to ensure that the ward Committee's duties are performed in an efficient and effective manner. A Ward Committee Official is available at the officer support and assist administratively where necessary.

### **Composition of Ward Committees**

A ward committee consists of the Councillor representing that Ward in Council, who must also be the chairperson of the committee; and not more than 10 other persons

When electing members, the following is taken into account as follows:

- a) Women must be equally represented in a ward committee
- b) Diversity interests in Ward to be represented
- c) Gender equity may be pursued by ensuring an even spread of men and women on a Ward Committee

### **Frequency of Ward Committee Meetings**

In accordance with the Ward Committee Policy, Ward Committees must meet at least once every quarter. Extraordinary meetings may be convened as and when the committee deems necessary. An annual schedule of meetings is circulated to all Ward Committees in preparation for forthcoming meetings.

## APPENDIX F: WARD COMMITTEES

Monthly Meeting	January	February	March	April	May	June	July	August	September	October	November	December
Ward 1	02/01/2023 Dumayo Community Hall 10aa	02/02/2023 Dumayo Community Hall 10am	04/03/2024 Dumayo Community Hall 10am	02/04/2024 Dumayo Community Hall 10am	02/05/2024 Dumayo Community Hall 10am	07/06/2024 Dumayo Community Hall 10am	07/07/2023 Dumayo Community Hall 10 am	09/08/2023 Dumayo Community Hall 10 am	06/09/2023 Dumayo Community Hall 10am	05/10/2023 Dumayo Community Hall 10am	08/11/2023 Dumayo Community Hall 10am	08/12/2023 Dumayo Community Hall 10am
Ward 2	02/01/2024 Buhlebezwe Hall 10am	03/02/2024 Buhlebezwe Hall 10am	01/03/2024 Buhlebezwe Hall 10am	01/04/2024 Buhlebezwe Hall 10am	01/05/2024 Buhlebezwe Hall 10am	07/06/2024 Buhlebezwe Hall 10am	04/07/2023 Buhlebezwe Hall 10am	02/08/2023 Buhlebezwe Hall 10:05	01/09/2023 Buhlebezwe Hall 10am	06/10/2023 Buhlebezwe Hall 10am	02/11/2023 Buhlebezwe Hall 10am	04/12/2023 Buhlebezwe Hall 10:00
Ward 3	04/01/2024 Nkampula Hall am	01/02/2024 Nkampula 11:00 am	01/03/2024 Nkampula 11:00 am	04/04/2024 Nkampula 11:00 am	04/05/2024 Nkampula 11:00 am	03/06/2024 Nkamapula 11:00 am	03/07/2023 Mashanela Hall 11:00	03/08/2023 Mashanela Hall 11:00	04/09/2023 Mashanela 11:00	01/10/2023 Mashanela Hall 11:00	02/11/2023 Mashanela Hall 11:00	03/12/2023 Mashanela Hall 11:00
Ward 4	04/01/2024 Amanyuswa cresh 10am	06/02/2024 Kenterton Hall 10am	01/03/2024 Kenterton Hall 14:00	02/04/2024 Kenterton Hall 14:00	02/05/2024 Amanyuswa Hall 9:30	07/06/2024 Isinggawe 09am	06/07/2023 Amanyuswa Creche 09:30	04/08/2023 Isinggawe Hall 09 am	01/09/2023 Mphambanyoni Hall 13:00	06/10/2023 Kenterton Hall 10am	03/11/2023 Amanyuswa Hall 10am	03/12/2023 Amanyuswa Hall 10h00
Ward 5	07/01/2024 Dumisa Hall 10am	07/02/2024 Dumisa Hall 10am	03/03/2024 Dumisa Hall 08am	07/04/2024 Dumisa Hall 08am	07/05/2024 Dumisa Hall 08am	07/06/2024 Dumisa Hall 08am	04/07/2023 Dumisa Community Hall 08 am	07/08/2023 Dumisa Hall 08 am	08/09/2023 Dumisa Hall 10 am	09/10/2023 Dumisa Hall 08am	07/11/2023 Dumisa Hall 08am	04/12/2023 Dumisa Hall 08 am
Ward 6	07/01/2024 Thandukusiza Centre 15h00	08/02/2024 Thandukusiza Centre 10am	05/03/2024 Thandukusiza Centre 10 am	02/04/2024 Thandukusiza Centre 10h30	01/05/2024 Thandukusiza Centre 15h00	04/06/2024 Thandukusiza Centre 10am	04/07/2023 Thandukusiza Centre 10 am	02/08/2023 Thandukusiza Centre 10:30	05/09/2023 Thandukusiz a Centre 10h00	03/10/2023 Thandukusiz a Centre 10 am	07/11/2023 Thandukusiza Centre 10h00	07/12/2023 Thandukusiza Centre 10h00
Ward 7	02/01/2024 Malangeni M.P.C.C Hall 10 am	03/02/2024 Malangeni M.P.C.C Hall 10 am	06/03/2024 Malangeni M.P.C.C Hall 10 am	03/04/2024 Malangeni M.P.C.C Hall 10 am	03/05/2024 Malangeni M.P.C.C Hall 10 am	06/06/2024 Malangeni M.P.C.C Hall 10 am	03/07/2023 Malangeni M.P.C.C Hall 10 am	03/08/2023 Malangeni M.P.C.C Hall 10 am	04/09/2023 Malangeni M.P.C.C 10 am	05/10/2023 Malangeni M.P.C.C 10h00	02 /11/2023 Malangeni M.P.C.C 10h00	02/12/2023 Malangeni M.P.C.C 10h00 am
Ward 8	03/01/2023 M.P.C.C Offices 11h00	04/02/2024 M.P.C.C Offices 11h00	07/03/2023 M.P.C.C Offices 11h00	07/04/2024 M.P.C.C Offices 11h00	04/05/2024 M.P.C.C Offices 11h00	06/06/2024 M.P.C.C Offices 11h00	06/07/2023 M.P.C.C Offices 10 am	03/08/2023 M.P.C.C Offices 10 am	07/09/2023 M.P.C.C Offices 10 am	05/10/2023 M.P.C.C Offices 10 am	02/11/2023 M.P.C.C Offices 10 am	03/12/2023 M.P.C.C Offices 10 am

Ward 9	08/01/2024 M.P.C.C Hall 10 am	02/02/2024 M.P.C.C Hall 12h00	05/03/2024 M.P.C.C Hall 10 am	08/04/2023 M.P.C.C Hall 10 am	08/05/2024 M.P.C.C Hall 10 am	07/06/2024 M.P.C.C Hall 10 am	06/07/2023 Malangeni M.P.C.C Hall 10 am	04/08/2023 Malangeni M.P.C.C. Hall 10 am	07/09/2023 Malangeni M.P.C.C Hall 10 am	04/10/2023 M.P.C.C Hall 10h00	07/11/2023 M.P.C.C Hall 16:00	04/12/2023 M.P.C.C Hall 10 am
Ward 10	03/01/2024 Park Rynie Library 16:00	06/02/2024 Park Rynie Library 16:00	06/03/2024 Park Rynie Library 16:00	03/04/2024 Park Rynie Library 16:00	08/05/2024 Park Rynie Library 16:00	05/06/2024 Park Rynie Library 16:00	05/07/2023 Park Rynie Library 14:00	02/08/2023 Park Rynie Library 14h00	06/09/2023 Park Rynie Library 16:00	04/10/2023 Park Rynie Library 16:00	01/11/2023 Park Rynie Library 16:00	06/12/2023 Park Rynie Library 16:00
Ward 11	07/01/2024 Umbetheni Church 10 am	03/02/2024 Umbetheni 10 am	06/03/2024 Umbetheni 10am	03/04/2024 Umbetheni 10 am	08/05/2024 Umbetheni 10 am	05/06/2024 Umbetheni 09 am	05/07/2023 Umbetheni Chistian Church 10 am	02/08/2023 Umbetheni Cristian Church 10 am	06/09/2023U mbetheni Christian Church 10am	02/10/2023 Umbetheni 10 am	08/11/2023 Umbetheni 10 am	06/12/2023 Umbetheni 10 am
Ward 12	03/01/2024 Ghandinagah 18:00	07/02/2024 Ghandi Nagah 18:30	05/03/2024 Ghandi Nagah 18:45	02/04/2024 Ghandi Nagah 18:00	07/05/2024 Ghandi Nagah 18:00	04/06/2024 Ghandi Nagah 18:00	05/07/2023 Ghandinagah centre 18:30	02/08/2023 Ghandinagah Centre 18:30	06/09/2023 Ghandinagah Centre 18:30	04/10/2023 Ghandi Nagah 18:45	08/11/2023 Ghandi Nagah 18:45	06/12/2023 Ghandi Nagah 18:45
Ward 13	07/01/2024 Umzinto Hall 13:00	01/02/2024 Umzinto Hall 13:00	07/03/2024 Umzinto Hall 13:00	04/04/2024 Umzinto Hall 13:00	09/05/2024 Umzinto Hall 13:00	06/06/2024 Umzinto Hall 17:00	06/07/2023 Umzinto Hall 13:00	03/08/2023 Umzinto Hall 13:00	07/09/2023 Umzinto Hall 13:00	05/10/2024 Umzinto Hall 13:00	05/11/2018 Umzinto Hall 09:00	11/12/2024 Umzinto Hall 13:00
Ward 14	09/01/2024 Amandawe Hall 15h00	08/02/2024 Amandawe Hall 11H00	08/03/2024 Amandawe Hall 12hoo	05/04/2024 Amandawe Hall 11hoo	10/05/2024 Amandawe Hall 11h00	07/06/2024 Amandawe Hall 12h00	04/07/2023 Amandawe Hall 12h00	07/08/2023 Amandawe Hall 12h30	06/09/2023 Amandawe Hall	06/10/2023 Amandawe Hall 12h10	10/11/2023 Amandawe Hall 14h00	06/12/2023 Amandawe Hall 13h15
Ward 15	08/01/2024 Blue Marlin Hotel 17h00	02/02/2024 Blue Marlin Hotel 17h00	08/03/2023 Blue Marlin Hotel 17h00	03/04/2024 Blue Marlin Hotel 17h00	08/05/2024 Blue Marlin Hotel 17h00	08/06/2024 Blue Marlin Hotel 17h00	11/07/2023 Blue Marlin Hotel 17:00	11/08/2023 Blue Marlin Hotel 17h00	11/09/2023 Blue Marlin Hotel 17h00	03/10/2023 Blue Marlin Hotel 17h00	09/11/2023 Blue Marlin Hotel 17h00	05/12/2023 Blue Marlin Hotel 17h00
Ward 16	02/01/2024 Cllrs Office KwHluzingqondo VD 10h00	02/02/2024 Cllrs Office KwHluzingqondo VD 10h00	04/03/2024 Cllrs Office KwHluzingqondo VD 10h00	02/04/2024 Cllrs Office KwHluzingqondo VD 10h00	03/05/2024 Cllrs Office KwHluzingqondo VD 10h00	03/06/2024 Cllrs Office KwHluzingqondo VD 10h00	03/07/2023 Cllrs Office KwHluzingqondo VD 10h00	03/08/2023 Cllrs Office KwHluzingqondo VD 10h00	04/09/2023 Cllrs Office KwHluzingqondo VD 10h00	23/10/2018 Cllrs Office KwHluzingqondo VD 10h00	01/11/2023 Cllrs Office KwHluzingqondo VD 10h00	04/12/2023 Cllrs Office KwHluzingqondo VD 10h00
Ward 17	03/07/2024 Amandawe Care centre 12h00	02/02/2024 Amandawe Care centre 12h00	02/03/2024 Amandawe Care centre 17h00	02/04/2024 Amandawe Care centre 12h00	07/05/2024 Amandawe Care centre 12h00	02/06/2024 Amandawe Care centre 17h00	02/07/2023 Amandawe Care Centre 17h00	02/08/2023 Amandawe Care Centre 17h00	02/09/2023 Amandawe Care Centre 17h00	02/10/2023 Amandawe Care Centre 17h00	02/11/2023 Amandawe Care Centre	02/12/2023 Amandawe Care Centre 17h00
Ward 18	06/01/2024 Amahlongwa Hall 10h00	09/02/2024 Amahlongwa Hall 10h00	05/03/2024 Amahlongwa Hall 13h5	09/04/2024 Amahlongwa Hall 8h00	07/05/2024 Amahlongwa Hall 13hoo	04/06/2024 Amahlongwa Hall 8h00	04/07/2023 Amahlongwa Hall 13:00	08/08/2023 Amahlongwa Hall 10 am	05/09/2023 Amahlongwa Hall 8h00	03/10/2023 Amahlongwa Hall 10 am	07/11/2023 Amahlongwa Hall 8h00	05/12/2024 Amahlongwa Hall 8h00
Ward 19	03/01/2024 Vulamehlo	08/02/2024 Vulamehlo	01/03/2024 Vulamehlo	02/04/2024 Vulamehlo	05/05/2024 Vulamehlo	03/06/2024 Vulamehlo	07/07/2023 Umjunundwini	01/08/2023 Vulamehlo	06/09/2023 Vulamehlo	02/10/2023 Vulamehlo	01/11/2023 Vulamehlo	01/12/2023 Vulamehlo

	Municipal Hall 10 am	Municipal Hall 10 am	Municipal Hall 10 am	Municipal Hall 10 am	Municipal Hall 10 am	Municipal Hall 10 am	Hall 10 am	Municipal Hall 10 am	Municipal Hall 10 am	Municipal Hall 10 am	Municipal Hall 10hoo	Municipal Hall 10 am
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## Umdoni Local Municipality

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

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

#### Audit Committee Responsibility

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

#### Audit Committee Members and Attendance

The Committee consisting of the following members listed hereunder met at least four (4) times per annum as per its approved terms of reference. Six (6) meetings were held during the fiscal year.

Name of Member	Number of Meetings Attended
Mr. A.D Gonzalves ( <i>Chairman</i> )	6/6
Ms. S Dlungwane	6/6
Mr. T Zakuza	6/6
Mr. Z Zulu ( <i>term of office ended on 29.02.2024</i> )	4/4
Mr. P Preston ( <i>Appointed on the 01.03.2024</i> )	2/2
Mrs. S Khanyile ( <i>Appointed on the 01.03.2024</i> )	2/2

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

#### Audit Committee Meetings

The Committee held its meetings as follows:

Meeting	Date	Type of meeting
1.	14 August 2023	Special
2.	22 August 2023	Special
3.	29 August 2023	Special
4.	07 December 2023	Ordinary
5.	17 April 2024	Ordinary
6.	14 June 2024	Ordinary

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

#### The Effectiveness of Internal Controls

An assessment of the findings identified by Internal Audit as well as the audit and management reports presented to the Committee by the Auditor-General of South Africa (AGSA), reveals that the internal control environment, risk management, and governance processes was not entirely effective throughout the year. The committee recommends improvement in the control environment with the timely appointment of suitably competent and qualified people, and that control activities over compliance monitoring, year-end financial, and performance reporting be strengthened. Furthermore, regular monitoring and supervisory checks must be undertaken by management to improve effectiveness of control activities.

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

- Annual Financial Statement Review;
- Annual Performance Information Report Review;
- Asset Management Review;
- Follow Review: AGSA and Internal Audit Findings;
- Leave Management Review;
- Project Management Review;
- Quarterly Performance Information Report Reviews; and
- Supply Chain Management Review.

### **In-Year Management and Monthly/Quarterly Reports**

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

### **Evaluation of Annual Financial Statements and Performance Report**

The Committee has reviewed:

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


- The audited financial statements as well as the information on predetermined objectives to be included in the annual report for any significant adjustments resulting from the audit and reported to the Accounting Officer.

### **Auditor-General of South Africa (AGSA) Report**

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

### **Conclusion**

The Committee expresses its appreciation to Council and the Accounting Officer for their leadership and support as well as all other assurance providers. The Committee relies extensively on the work of the internal audit activity and appreciates the efforts of the Manager: Internal Audit throughout the year. The Committee recommends that the current internal audit function be capacitated to widen its scope of activities with the appointment of additional suitably qualified staff. Furthermore, it recommends that Management address the aforementioned concerns raised by the Committee as well as the audit findings identified by Internal Audit and the material findings identified by AGSA relating to compliance, by addressing the root cause of the control deficiencies in pursuit of a clean audit outcome.



**Chairman: Audit Committee**  
A.D Gonzalves  
05 December 2024

## APPENDIX H: LONG TERM CONTRACTS & PUBLIC PRIVATE PARTNERSHIPS

No long-term agreements were entered into during the year under review.

### SHORT TERM AGREEMENTS

Agreements Entered Into With:	Description	Duration
LMS Project Managers (Pty) Ltd Ref: A12 – No 1	Project Management Support for Umdoni Municipality	3 July 2023 – Once consultant has completed the services & received full payment of fees & disbursements due.
SAMRAS Ref: A11 – No 2 (B)	Software Support	1 July 2023 – 30 June 2024
Digital Voice Processing Ref: A11 – No 3	Bosch Conference System in Council Chamber	7 July 2023 – 6 July 2024
Mabune Consulting Ref: Umzinto F4 – No 3	Sectionalization of Riverside Park	1 August 2023 – 31 July 2024
Pennington Conservancy Committee Ref: Pennington 3 – No 26	To render assistance in respect of the Nkomba Conservancy as stipulated in the agreement	28 July 2023 – 27 July 2026
T. C. Robertson Nature Reserve Committee Ref: Scottburgh File 13 – No 1	To render assistance in respect of the T.C. Robertson Nature Reserve as stipulated at No. 8 of the agreement	25 July 2023 – 25 July 2026
Deed of Cession & Direct Payment Agreement between Umdoni Municipality, Simandlovu Trading CC & Corobrik (Pty) Ltd File Ref – Ward 2 – No 10	Deed of Cession & Direct Payment Agreement for the supply of bricks for the construction of Mandlalathi Community Hall in Ward 2	Signed on 8 August 2023
ZLM Engineering (Pty) Ltd File Ref – A11 – No 4	Maintenance of Umdoni Municipality's Street Lighting on a turnkey basis.	1 July 2023 – 30 June 2024
Izingodla Engineering (Pty) Ltd File Ref: Ward 1 – No 4	Professional Services Agreement for the electrification of Ntshaseni & Mtoli (Phase 1) – Ward 1	3 July 2023 – final submission of close out report / final account.
Farrell Inc Attorneys File Ref: A11 – No 5	Service Level Agreement with Attorney	3 July 2023 – 2 July 2026
Garlicke & Bousfield Attorneys File Ref: A11	Service Level Agreement with Attorney	30 August 2023 – 29 August 2026
Livingston Leandy File Ref: A11 – No 7	Service Level Agreement with Attorney	19 July 2023 – 23 July 2026
Madiba Motsai Masintenyane & Githiri Attorneys File Ref: A11 – No 8	Service Level Agreement with Attorney	4 July 2023 – 3 July 2026
Matthew Francis Inc Attorneys File Ref: A11 – No 9	Service Level Agreement with Attorney	4 July 2023 – 3 July 2026
Mazibuko Z & Associates File Ref: A11 – No 10	Service Level Agreement with Attorney	3 July 2023 – 2 July 2026
Mdledle Attorneys File Ref: A11 – No 12	Service Level Agreement with Attorney	24 July 2023 – 23 July 2026
Mhlanga Inc Attorneys File Ref: A12 – No 7	Service Level Agreement with Attorney	18 September 2023 – 17 September 2026
Shepstone & Wylie File Ref: A11 – No 17	Service Level Agreement with Attorney	12 September 2023 – 11 September 2026
Viola Ramsook Attorneys File Ref: A12 – No 2	Service Level Agreement with Attorney	30 June 2023 – 29 June 2026
Zuma & Partners	Service Level Agreement with Attorney	3 July 2023 – 2 July 2026

File Ref: A12 – No 3		
Zikalala Attorneys File Ref: A12 – No 4	Service Level Agreement with Attorney	30 June 2023 – 29 June 2026
Maximum Profit Recovery (Pty) Ltd File Ref: A12 – No 8	Provision of VAT Submission, Review and Support for 36 Months	1 July 2023 – 30 June 2026
KZN Department of Economic Development, Tourism & Environmental Affairs  File Ref: A11 – No 26	Agreement of Grant Funding for SMME & Cooperative Support Programme / Municipal Employment Initiative	12 September 2023 – 30 June 2025
KZN Department of Economic Development, Tourism & Environmental Affairs File Ref: Umz File 4 – No 4	Second Addendum to MOA – Implementation of the Umzinto Bus Rank Informal Trader Stalls Project	1 July 2023 – 30 June 2024
Deed of Cession Agreement between : Sholo Trading Enterprise CC; K & L Fabrication; Umdoni Municipality File Ref: Ward 4 – No 4	Construction of Mgangeni Hall – Fabrication and installation of the structure for this including roof sheeting.	Signed : 3 October 2023
KZN Department of Economic Development, Tourism & Environmental Affairs (EDTEA)  File Ref: Park Rynie No 4 – No 3	Agreement of Grant Funding for the Park Rynie Beach Development Project	10 October 2023 – 31 May 2024
Provincial Government of the Province of KZN Department of KZN Public Works  File Ref: P3 – No 29	Erven 910 – 913 & 930 – 933 Pennington – Deed of Donation	Signed October 2023
DVP Distribution (Pty) Ltd File Ref: A12 – No 10	Zoom Digital Recorder & Recorders – Conference Microphones	30 November 2023 – 29 November 2024
Department of Transport (DOT)  File Ref: A12 – No 12	Motor Vehicle Licensing Functions in Umzinto	1 December 2023 – 30 November 2026
Pennington Conservancy Committee  File Ref: P3 – No 30	Re-establishment of the Makamati Wetland in Pennington	19 September 2023 – 18 September 2026
Caseware Africa (Pty) Ltd  File Ref: A12 – No 13	Provision of financial software and maintenance support, training	1 January 2024 to 31 December 2024
KZN Department of Human Settlements & MGM Project Management (Pty) Ltd  Ref : Malangeni – No 12 (B)	Addendum to the Memorandum of Agreement / Tripartite Agreement - Malangeni Rural Housing Project – Phase 2D	30 June 2023 to 30 January 2024
KZN Department of Sport, Arts & Culture  Ref: A12 – No 14	Provision of various Library Services to all municipal Libraries – eight in total.	1 July 2023 to 30 June 2024
Digital Voice Processing (Pty) Ltd  Ref: A12 – No 15	Bosch CCS 1000 Portable Delegate Address System	12 April 2023 to 11 April 2024
Nazamakhuze Holdings (Pty) Ltd  Ref: Ward 16 – No 4	Construction of Nsongeni Tar Road in Ward 16	17 April 2024 to complete finalization of project & full payment of all fees due.
Impande Consulting Engineers (Pty) Ltd  Ref: Ward 9 - No 5	Upgrade of Mafithini Road in Ward 9	15 April 2024 to complete finalization of project and full payment of all fees due.
Mzibani Consulting Engineers (Pty) Ltd  Ref: Ward 5	Refurbishment of Dumisa Skills Centre & Community Hall	15 April 2024 to complete finalization of project and full payment of all fees due.
The Provincial Department of Human Settlements – KZN & MGM Project Management (Pty) Ltd  Ref: Malangeni – No 13	Malangeni Phase 2 Rural Housing Project: Stage 2 : K:13030001/2	13 May 2024 to 13 October 2024

MGM Project Management (Pty) Ltd Ref: Ifafa Beach / Glebe – No 4	Ifafa Glebe Title Deed Restoration Programme	1 May 2024 & shall endure for a period of 12 months from the signature date
Vangisa Consulting Engineers & Project Ref: A12 – No 16	Construction of Disaster Roads Projects	10 April 2024 to full completion of all projects and payment of fees due.

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

**SECTION B: ASSESSMENT OF SERVICE PROVIDERS**

**Umdoni Assessment of the performance of External Service Providers Template for 2024/2025 Financial Year**

The monitoring of the service provider performance is ensured through the signing of the Service Level Agreement. It is currently being done by user department levels. The end user department is providing monthly reports to the SCM unit as well. Service providers who fail to perform are reported to SCM and the necessary action is taken including the termination of the contract or cancellation of an order.

<b>Assessment Key</b>	
<b>Good (G)</b>	The service has been provided at acceptable standards and within the time frames stipulated in the SLA/Contract
<b>Satisfactory (S)</b>	The service has been provided at acceptable standards and outside of the timeframes stipulated in the SLA/Contract
<b>Poor (P)</b>	The service has been provided below acceptable standards

Name of external Service Provider	Date Contract Awarded	Service provided in terms of the SLA	Assessment of Service Providers Performance		
			G	S	P
E- novate Africa Technologies	01 December 2025	Ict Systems Support			
ISU Technologies	01 April 2024	Municipal Website			
Vodacom (PTY) LTD	31 May 2016	Municipal Telephones			
Capital Office Automation	30 August 2021	Municipal Office Automation			
Mayimenjalo	23 August 2024	Municipal Internet Connection			
Clean Spot solutions	04 December 2023	Supply & Deliver General Worker Ppe And Uniform			
Fana Manufacturing cc	04 December 2023	Supply & Deliver General Worker Ppe And Uniform			
Khulangwane Trading	04 December 2023	Supply & Deliver General Worker Ppe And Uniform			
Kayosi Trading	06 December 2023	Supply & Deliver Beach Lifeguard Uniform			
	FY 2024 -2025 3 x SLA.s for Recording Devices and Services as follows:- 07 July 2024 - 06 July 2025;	Provision of and Regular Maintenance and Servicing of Recording Devices (Installed and Mobile) for Secretariat Unit			

Name of external Service Provider	Date Contract Awarded	Service provided in terms of the SLA	Assessment of Service Providers Performance		
			G	S	P
Digital Voice Processing (PTY)Ltd	30 Nov 2024 - 29 November 2025; and 12 April 2024 - 11 April 2025				
The Document Warehouse	SLA was reviewed and signed on 01 February -2025. New contract in place for 36 months ending on 31 January 2028.	Storage and Safekeeping of Municipal Records (Cloud Service, Scanning etc) Storage was charged for material and records that were already secured at Document Warehouse for the past 25 years.			
FRAMA (Pty) LTD (Frama-Link RMS Systems)	Long Standing SLA in consultation with SA Post Office, Annual Registration	Franking Services of out material that has to be posted for the entire Municipality. Servicing of the Franking Machine.			
SA Post Office Limited	Sole Service Provider for the Entire Country (Parastatal), Annual Registration	Postage Services, Registered Post, Courier Services etc for the entire Municipality			
Buchule Engineers Development and consulting Engineers	19/06/2024	Construction of 7 mechanical workshop, construction of 150m excess road and stabilisation of the parking bay and trading area for Umzinto bus rank			
Msuthu Enterprise	30/10/2024	Demarcation of beach trading stalls at Umthwalume beach area.			
SibaMnyamana Enterprise (PTY) LTD	29/01/2025	Re roofing of the beach trading stalls. The roof was blown up by storm.			
Nqabini (PTY) LTD	11/06/2025	Reconnection of Electricity lights at Scottburgh Craft Market.			
Mqhubekeli Investments	18/06/2025	Supply and Deliver Office equipment of SMME's to support MEI			
Mvelase Global Enterprises	27/05/2025	Supply and Deliver of Grass Cutting Equipment			
Intelligence 100 Enterprise	21/05/2025	Supply and Deliver of Agricultural Equipment			
Gawozi Elihle Trading	21/05/2025	Supply and Deliver of Bakery and Catering Equipment			
Sangwe (Pty) Ltd	28/05/2025	Supply and Deliver of Manufacturing Equipment			
Group M import and Export cc	06/06/2025	Supply and Deliver of Construction Equipment			
Intelligence 100 Enterprise	05/06/2025	Supply and Deliver of Salon Equipment			

**APPENDIX J: DISCLOSURES OF FINANCIAL INTEREST**

NAME	DESIGNATION	FINANCIAL DISCLOSURE FORM RECEIVED YES / NO	ANYTHING DECLARED BY OFFICIAL	MATTER DISCLOSED	DATE ON WHICH FORM WAS RECEIVED
Mrs T.C. Ndlela	Municipal Manager	Form not submitted to the Legal Section			
Mr S Nyawo	General Manager Corporate Services	Form not submitted to the Legal Section			
Mr V T Khanyile	General Manager Community Services	Yes	No	Nil	2 November 2023
Mr M Chandulal	Chief Financial Officer	Yes	Yes	Membership, Directorships & Partnerships Royal Touch Trading (not trading)  Land & Property 452m <sup>2</sup> of property owned.	27 October 2023
Mr M Mzotho	General Manager Planning & Development	Yes	No	Nil	8 January 2024
Mr MB Shangase	General Manager Technical Services	Yes	No	No	30 January 2024
Mr LMV Cele Contract terminated 31 October 2023	GM Technical Services (Acting)	Form not submitted to the Legal Section			

	COUNCILLOR	I.D. NUMBER	FINANCIAL INTEREST/MEMBERSHIP OF CLOSE CORPORATION NAME OF INSTITUTION SHARES / % INTEREST SUBSIDY GRANTS & GIFT DETAILS DETAILS OF GRANTS, SUBSIDIES GIFTS	EMPLOYMENT DETAILS & MONTHLY REMUNERATION	PENSION FUND DETAILS	FORM SUBMITTED BY COUNCILLOR ON :
1	Councillor Bhoola, RB	6403255228082	<b>Interests In Trusts:</b> Nil declared.	Umdoni Municipality  <b>Monthly Remuneration:</b> R22 000,00	Old Mutual Wealth R20 000,00/m	28 September 2023
2	Councillor Cele, BA	8610115571083	<b>Financial interests:</b> Nil declared.	Umdoni Municipality  <b>Monthly Remuneration</b> As gazetted.	Nil declared.	9 November 2023
3	Councillor Cele-Luthuli, MJ	8604041068082	<b>Financial interests:</b> Nil declared.	Umdoni Municipality  <b>Monthly Remuneration:</b> R48 146,69	Nil declared.	28 September 2023
4	Councillor Cutten, AT	7010085222083	<b>Financial interests:</b> Nil declared.	<b>Employer</b> T & T Marine (3 month contract from March to May 2023 – for the previous Financial year)  <b>Monthly Remuneration</b>	Nil declared.	01 August 2023

	COUNCILLOR	I.D. NUMBER	FINANCIAL INTEREST/MEMBERSHIP OF CLOSE CORPORATION NAME OF INSTITUTION SHARES / % INTEREST SUBSIDY GRANTS & GIFT DETAILS DETAILS OF GRANTS, SUBSIDIES GIFTS	EMPLOYMENT DETAILS & MONTHLY REMUNERATION	PENSION FUND DETAILS	FORM SUBMITTED BY COUNCILLOR ON :
				R15 000,00 for above.  <b>Monthly remuneration from Umdoni Municipality</b> : As gazetted.		
5	Councillor Dlamini, LR	6912265589085	<b>Financial Interests:</b> Nil declared.	Umdoni Municipality  <b>Monthly Remuneration</b> R20 000,00	Municipal Councillors' Pension Fund R3 000,00pm	16 November 2023
6	Councillor Duma, Z	8904165331088	<b>Directorships</b> Zero to Prosperity 100 Shares & 100% interest  TZ Poultry Trading - 100 Shares & 100% Interest	Umdoni Municipality  <b>Monthly Remuneration:</b> R55 000,00	Nil declared.	10 November 2023
7	Councillor Gumede, NC	7212275376089	<b>Financial interests:</b> Nil declared.	Umdoni Municipality  <b>Monthly Remuneration:</b> R22 000,00	Municipal Councillors' Pension Fund : R3 507,00pm	10 November 2023
8	Councillor Jeza, ZKW	9808205459081	<b>Financial interests:</b> Nil declared.	Umdoni Municipality  <b>Monthly Remuneration:</b> R22 152,27	Nil declared.	10 November 2023
9	Councillor Jiji (Dlamini), GS	8212180321088	<b>Financial interests:</b> Nil declared.	Umdoni Municipality  <b>Monthly Remuneration</b> R39 000,00	Municipal Pension Fund For Councillors R8 312.69 pm	11 July 2023
10	Councillor Khan, MA	9207055008082	<b>Interests in Trusts:</b> Scholar Amoris School Trust  <b>Directorships:</b> 1 Qaasimul ILM Foundation(NPC): 33 Shares & 33% Interest  2 Najah Enterprises (PTY) Ltd : 50 Shares & 50% Interest	Umdoni Municipality  <b>Monthly Remuneration</b> As gazetted	Nil declared.	10 August 2023
11	Councillor Khanyile, S V	7801255985081	<b>Financial interests:</b> Nil declared.	<b>Employment Details</b> 1. Department of Education KZN	<b>GE Pension Fund</b>	26 September 2023

	COUNCILLOR	I.D. NUMBER	FINANCIAL INTEREST/MEMBERSHIP OF CLOSE CORPORATION NAME OF INSTITUTION SHARES / % INTEREST SUBSIDY GRANTS & GIFT DETAILS DETAILS OF GRANTS, SUBSIDIES GIFTS	EMPLOYMENT DETAILS & MONTHLY REMUNERATION	PENSION FUND DETAILS	FORM SUBMITTED BY COUNCILLOR ON :
				Remuneration – R20 000pm Umdoni Municipality <b>Monthly Remuneration</b> As gazetted.	R2 000,00	
12	Councillor Khumalo, KP	7207250489089	<b>Financial interests:</b> Nil declared.	Umdoni Municipality <b>Monthly Remuneration:</b> R17 900,00	Municipal Councillors' Pension Fund R3 500,00pm	26 September 2023
13	Councillor Madlala, MR	7212046095083	<b>Financial interests:</b> Nil declared.	Umdoni Municipality <b>Monthly Remuneration:</b> R19 000,00	Municipal Councillors' Pension Fund R3 000,00pm	3 October 2023
14	Councillor Maharaj, R	7108095254086	<b>Financial interests:</b> Nil declared.	Umdoni Municipality <b>Monthly Remuneration:</b> R58 817,00 (Gross)	Nil declared.	14 August 2023
15	Councillor Mahomed, S	7202185286080	<b>Financial interests in a Business Undertaking:</b> Mr TV – Mr Satellite – Interest – 15%	Umdoni Municipality <b>Monthly Remuneration:</b> R21 800,00	Nil declared.	6 September 2023
16	Councillor Mbanjwa, MA	7112115500080	<b>Financial Interests:</b> Nil declared. <b>Employer:</b> 1. Department of Education 2. Umdoni Municipality	Department of Education – <b>Monthly Remuneration :</b> R25 546,24 Umdoni Municipality: <b>Monthly remuneration:</b> As gazetted.	G.E.P.F. R3 098,81 pm	9 October 2023
17	Councillor Mbutho, ME	8303286041082	<b>Financial interests:</b> Nil declared.	Umdoni Municipality <b>Monthly Remuneration:</b> As gazetted	Municipal Pension Fund for Councillors	6 October 2023
18	Councillor Mdluli, SD	7804055513087	<b>Financial Interests:</b> Nil declared.	Umdoni Municipality <b>Monthly Remuneration</b> R20 241,71 and <b>Ugu District Municipality</b>	Municipal Pension Fund for Councillors R2 997,71 pm	14 August 2023

	COUNCILLOR	I.D. NUMBER	FINANCIAL INTEREST/MEMBERSHIP OF CLOSE CORPORATION NAME OF INSTITUTION SHARES / % INTEREST SUBSIDY GRANTS & GIFT DETAILS DETAILS OF GRANTS, SUBSIDIES GIFTS	EMPLOYMENT DETAILS & MONTHLY REMUNERATION	PENSION FUND DETAILS	FORM SUBMITTED BY COUNCILLOR ON :
				R5 348,65		
19	Councillor Mlaba, SN	6002045950086	<b>Financial Interests:</b> Nil declared.	Umdoni Municipality <b>Monthly Remuneration</b> R20 000,00	Nil declared.	28 November 2023
20	Councillor Mngoma, SEH	8103095377085	<b>Financial Interests:</b> Nil declared.	Umdoni Municipality <b>Monthly Remuneration</b> R19 850,00	Old Mutual R2 000,00 pm	9 November 2023
21	Councillor Molife, Z	8606220251082	<b>Financial Interests:</b> Nil declared.	Umdoni Municipality <b>Monthly Remuneration</b> R17 902,83	Municipal Pension Fund for Councillors R3 507,54pm	11 July 2023
22	Councillor Mthwane, SW	6703075719081	<b>Financial Interests:</b> Sgedububha Cleaning & Construction 100% Interest & 100% Shares	Umdoni Municipality <b>Monthly Remuneration</b> As gazetted. <b>Idube Harvesting</b> Between R15 000 and R30 000pm	Nil declared.	31 August 2023
23	Councillor Mynhardt, R	7212160065086	<b>Financial Interests:</b> <b>Directorships:</b> PropFran 777 (Pty) Ltd 100% Interest & 100% Shares	Umdoni Municipality As gazetted.	Nil declared.	31 August 2023
24	Councillor Mzelemu, S	8005260620084	<b>Financial interests:</b> Nil declared.	Umdoni Municipality <b>Monthly Remuneration</b> R20 000	Nil declared.	26 June 2024
25	Councillor Mzimela, QT	8804165829083	<b>Financial interests:</b> Nil declared.	Umdoni Municipality <b>Monthly Remuneration</b> As gazetted.	23 January 2024	
26	Councillor Naidoo, P	5412205134085	<b>Financial interests:</b> <b>Shares &amp; Securities:</b> Kumba; Exxaro; MTN; Vodacom	Umdoni Municipality <b>Monthly Remuneration</b> As gazetted.	Nil declared.	21 November 2023

	COUNCILLOR	I.D. NUMBER	FINANCIAL INTEREST/MEMBERSHIP OF CLOSE CORPORATION NAME OF INSTITUTION SHARES / % INTEREST SUBSIDY GRANTS & GIFT DETAILS DETAILS OF GRANTS, SUBSIDIES GIFTS	EMPLOYMENT DETAILS & MONTHLY REMUNERATION	PENSION FUND DETAILS	FORM SUBMITTED BY COUNCILLOR ON :
			<b>Partnerships:</b> Sunrainyan Investment Interest – 50%			
27	Councillor Ndlela, MJ	6102085746087	<b>Financial interests:</b> Nil declared.	Umdoni Municipality  <b>Monthly Remuneration</b> +R14 000,00	Nil declared.	10 October 2023
28	Councillor Ngubo, MJ	5605035742080	<b>Financial interests:</b> Nil declared.	Umdoni Municipality  <b>Monthly Remuneration</b> As gazetted.	Nil declared.	5 January 2024
29	Councillor Nkomo, NL	7901030897088	<b>Financial interests:</b> Nil declared.	Umdoni Municipality  <b>Monthly Remuneration</b> R22 000,00	Municipal Pension Fund for Councillors	10 November 2023
30	Councillor Nombika, PN	6406300505081	<b>Financial interests:</b> Nil declared.	Umdoni Municipality  <b>Monthly Remuneration</b> R22 000,00	Municipal Pension Fund for Councillors	10 November 2023
31	Councillor Nzama, NT	8502270406082	<b>Financial interests:</b> Nil declared.	Umdoni Municipality  <b>Monthly Remuneration</b> R20 000,00	Nil declared.	10 November 2023
32	Councillor Phungula, MG	5901115676086	<b>Financial Interests:</b> Nil declared.	Umdoni Municipality  <b>Monthly Remuneration</b> As gazetted.	Nil declared.	10 November 2023
33	Councillor Shezi, SN	8609176359081	<b>Financial interests:</b> <b>Directorships:</b> Unathi Investments Interest & Shares – N/A	Umdoni Municipality  <b>Monthly Remuneration</b> R19 417,39	Nil declared.	28 November 2023
34	Councillor Singh, S	6406270123089	<b>Financial Interests:</b> Shares & Securities: Sanlam – 917 Shares  <b>Membership of Close Corporation:</b> Carmichael Promotions – 100% Interest  <b>Interests in any Trust:</b> Parmasar Singh Family Trust  <b>Directorships:</b>	Umdoni Municipality  <b>Monthly Remuneration</b> R51 417,92	Nil declared.	20/09/2023

	COUNCILLOR	I.D. NUMBER	FINANCIAL INTEREST/MEMBERSHIP OF CLOSE CORPORATION NAME OF INSTITUTION SHARES / % INTEREST SUBSIDY GRANTS & GIFT DETAILS DETAILS OF GRANTS, SUBSIDIES GIFTS	EMPLOYMENT DETAILS & MONTHLY REMUNERATION	PENSION FUND DETAILS	FORM SUBMITTED BY COUNCILLOR ON :
			Promo Bag Manufacturers - 100 Shares & 100% Interest			
35	Councillor Sookhraj, S	6604280133086	<b>Financial Interests:</b> Nil declared.	Umdoni Municipality <b>Monthly Remuneration</b> As gazetted.	Municipal Councillors' Pension Fund	10 August 2023
36	Councillor Tenza, MP	6711285498081	<b>Financial Interests:</b> Nil declared.	Umdoni Municipality <b>Monthly Remuneration</b> R22 000	Municipal Councillors' Pension Fund	4 December 2024
37	Councillor Thabethe, PE	8207095330083	<b>Directorships:</b> Pitoli Projects : 100 Shares & 100% Interest	Umdoni Municipality <b>Monthly remuneration</b> R33 000,00	Nil declared.	10 October 2023
38	Councillor Zoko, SA	8506126144086	<b>Financial Interests:</b> Nil declared.	Umdoni Municipality <b>Monthly remuneration</b> As gazetted.	Nil declared.	24 June 2024
39	Councillor Zulu, S	9204130994089	<b>Financial Interests:</b> Nil declared.	Umdoni Municipality <b>Monthly remuneration</b> R20 000,00	Nil declared.	12 October 2023

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

**APPENDIX L: CONDITIONAL GRANTS RECEIVED EXCL. MIG**

## APPENDIX M: CAPITAL EXPENDITURE

## **APPENDIX Q – SERVICE BACKLOGS EXPERIENCED BY THE COMMUNITY WHERE ANOTHER SPHERE OF GOVERNMENT IS RESPONSIBLE FOR SERVICE PROVISION**

### **WATER**

Statistics South Africa (StatsSA) 2022 Census indicates that 21 789 out of 33 087 Households in Umdoni Municipality that have access to water that is provided by a regional/local water scheme operated by a municipality. 66% of Umdoni households have access to water through UGU District Municipality while the remaining 34% of the household's waters sources are boreholes, Springs, Dams, Rivers and Rain Water Tanks.

The Umdoni Municipality is experiencing water shortage and disruption of services on a regular basis. The provision of water is the responsibility of the Ugu District Municipality although the Local Municipality is assisting in gathering of information and the development of a consolidated Infrastructure Plan to inform the Water Services Development Plan by providing information on backlogs and needs. This will assist the District to strategize the eradication of backlogs. The map below indicates access to water within the Umdoni Municipal Area.

### **SANITATION**

The StatsSA 2022 census indicates that 19 849 Households in Umdoni use flush toilets connected to a public sewerage system while 1324 Households have flush toilets connected to a septic or conservancy tank. 3639 households use a chemical toilet whilst 4942 use Pit latrine toilets with ventilation pipes known as VIPs. 6 616 Households in Umdoni use VIPs without ventilation pipes with the remainder of the household population uses the ecological toilets. 983 Households in Umdoni which represents 3% of our household population still use the bucket system that is collected by the municipality. This shows an increase from 504 households in the 2016 StatsSA Community Survey.

### **ENERGY**

According to the StatsSA 2022 census 90% of Households in Umdoni have access to energy and connected from mains. 8% of our household population still uses candles whilst 1% uses generators and another 1% using paraffin. The statistic though does not account for the percentage of households with illegal connections within the bracket of 90% of households classified to having access to energy/electricity considering the fact that all our informal settlements are riddled with dangerous illegal connections that increase load shedding within its areas and possibility to damage to current existing infrastructure that is not adequate to cater for the growing households within each area.

## HOUSING

Umdoni Municipality is a predominantly rural municipality with people's homes mostly built along the road and very few scattered across hilly terrain. This linear pattern makes it easier for provision of water and other Bulk infrastructure services. The residents have fairly good enough space to build or further subdivide the land to their children and grandchildren. However, there are other residents who have homes still built on hilltops which might be difficult for the contractors to move material during construction phase and some sites are located next to bulks servitudes e.g. Eskom power lines which poses a risk and non-compliance challenge.

The halting of current housing projects that are on implementation stages by the Department of Human Settlements due to budgetary constraints has caused rising tensions with community members.

**APPENDIX R – DECLARATION OF LOANS & GRANTS**

## APPENDIX S: NATIONAL AND PROVINCIAL OUTCOMES FOR LOCAL GOVERNMENT

### The Sustainable Development Goals 2030

15 years after the enactment of the UN's Millennium Development Goals (MDGs) have reached their expiration date. Progress has been made across the board, from combatting poverty, to improving education and health, and reducing hunger, but there is a long way to go.

Shockingly, surveys found that in September 2015 only 4% of the UK public had heard of the MDGs. These international agreements have the potential to change the lives of millions of the world's poorest. At Five Talents, we believe that public understanding of these big-picture development goals is of great importance, because of this we have put together this page on the set of goals the UN will be focusing on for the next 15 years: The Sustainable Development Goals (SDGs).



### The National Development Plan

The National Planning Commission was established in 2009 under the leadership of former Minister Trevor Manuel. After extensive research and consultation with a wide range of stakeholders, a National Development Plan (NDP) commonly referred to as Vision 2030 has been drafted. It is quite evident that government places a high priority on the implementation of the plan and it can be expected that the NDP will be the compass by which the national government is going to steer the development path of South Africa into the future. The broad goal of this plan is to reduce unemployment, alleviate poverty and reduce inequality by 2030. The key focus areas of this plan are illustrated in the figure below:



Source: National Development Plan - 2030

## National Outcomes

National Government has designed 14 Outcomes for Government and all its service delivery functions. The 14 Outcomes are based on a concept of The Outcomes Approach which is essentially a strategic approach which focuses on achieving the expected real improvements in the life of all South Africans.

The outcomes approach broadly defines what is expected to be achieved, how it is to be expected to be achieved and whether the outcomes are being achieved. The overall goal of the 14 outcomes that have been designed is to ensure that government does not just carry out the functions it is supposed to, but to ensure that results from these functions are achieved and show impacts on the lives of South Africans.

The outcomes approach mainly:

- Focuses on results
- Makes explicit and testable the chain of logic in our planning, so we can see the assumptions we make about the resources that are needed
- Links activities to outputs and outcomes and to test what works and what doesn't
- Ensure expectations are as clear and unambiguous as possible
- Provides clear basis for discussion, debate and negotiation about what should be done and how it should be done
- Enables learning and regularly revising and improving policy, strategy and plans through experience
- Makes co-ordination and alignment easier

The 14 Outcomes have been based on the Election Manifesto and the Medium Term Strategic Framework (2014-2019), as well as consultation on ministerial and administrative levels. The outcomes are a representation of the desired development impacts to be achieved by government's policy priorities.

The 14 Outcomes are listed as:

1. Quality basic education
2. A long and healthy life for all South Africans
3. All people in South Africa are and feel safe
4. Decent employment through inclusive growth
5. A skilled and capable workforce to support an inclusive growth path
6. An efficient, competitive and responsive economic infrastructure network
7. Vibrant, equitable and sustainable rural communities towards food security for all
8. Sustainable human settlements and improved quality of household life
9. Responsive, accountable, effective and efficient local government
10. Protect and enhance our environmental assets and natural resources
11. Create a better South Africa and contribute to a better Africa and a better World
12. An efficient, effective and development orientated public service
13. A comprehensive, responsive and sustainable social protection system
14. A diverse, socially cohesive society with a common national identity

## VOLUME II: AUDITED ANNUAL FINANCIAL STATEMENTS 2023/2024

Separate annexure (labelled Volume: Audited AFS 2024/2025)