



**Annual Report  
2022/2023  
Ray Nkonyeni Municipality**



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# Chapter 1 – Mayor’s Foreword and Executive Summary

## Component A:

### 1.1 Mayor’s Foreword

It is a privilege to be part of the leadership collective which reports on the performance of the municipality for the 2022/2023 financial year.

Section 46 of the Municipal Systems Act enjoins municipalities to prepare for each financial year an annual report consisting of a performance report reflecting-

- (i) the municipality’s, and any service provider’s performance during that financial year, also in comparison with targets of and with performance in the previous financial year;
- (ii) the development and service delivery priorities and the performance targets set by the municipality for the following financial year, and
- (iii) measures that were or are to be taken to improve performance.”

In this way the Annual Performance Report reflects the municipality’s success or otherwise in implementing its Integrated Development Programme through the Service Delivery and Budget Implementation Plan (SDBIP) for the year. It also highlights setbacks and details corrective measures, if any.

The year under review has not been the easiest for our beloved District and province. We continue to face an ongoing unfavourable economic climate which puts pressure on our revenue capacities; we have been subjected to devastating harshness of the force of nature, resulting in the loss of lives and property. As a country we are also facing an unprecedented energy crisis, which has resulted in constant blackouts, in the process shedding jobs, livelihoods and so much more.

Despite these difficulties Ray Nkonyeni municipality has sought to cement its place not only as a tourist destination of choice, but as an investment-friendly place as well. This has been done through an increased focus on maintenance of our infrastructure, in particular the road network. During this financial year we resolved that our fight towards a safe and road efficient should be augmented by the acquisition of fully-fledged yellow plant equipment. We do this in recognition that external contractors remain affiliates to government in the fulfilment of its mandate towards equitable service delivery.

It is also the period during which we undertook the construction of two major projects in the nerve centre of our town, the Port Shepstone CBD. The construction of the main road, Nelson Mandela in the CBD, and Main Harding Road further along, as well as the construction of the Inter-modal facility augers well for the future of our town and District. These multimillion- rand projects are expected to inject a much-needed boost to our local economy.

We have also been able to engage communities far and wide in matters of governance. Our budget and SDBIP have largely been influenced by the inputs of ordinary men and women, who took the time and effort to interrogate our plans as they rightly hold their government to account. We appreciate the spirit of cooperation which continues to determine our relationship with organisations in civil society and the business community.

We are also grateful to an efficient administration, led by its management. Together we should continue to put the concerns of the citizens of Ray Nkonyeni municipality first as we strive to create a “prime tourist-friendly, economically diversified, and smart municipality with equitable access to opportunities and services in a safe and healthy environment”.

**Thank you.**

**Cllr SI Mqadi**

**MAYOR**

## Component B: Executive Summary

### 1.1 Municipal Manager's Foreword

The Municipality has achieved ninety-five percent (95%) of the set targets. Further, it is worth noting that the municipality managed to deliver on all its planned capital projects resulting in hundred percent (100%) expenditure on Integrated Urban Development Grant (IUDG).

The municipality managed to collect ninety-three percent (93%) of the billed revenue. The economic meltdown faced globally especially since 2020 with COVID-19 pandemic, has had a negative impact even on revenue collection, but our local businesses and residents have demonstrated some high levels of resilience resulting in this healthy collection rate of property rates and taxes. The payment of rates and taxes is critical for financial health of the municipality which in turn is key to service delivery capacity.

In March 2023, the municipality held a three-day strategic planning workshop for management in order to review its systems and processes in order to be well poised to deliver the services at optimum efficiency.

The vision of the municipality is that it will be a prime tourist-friendly, economically diversified, and smart municipality with equitable access to opportunities and services in a safe and healthy environment. In working towards this goal, during 2022/2023 amongst other initiatives, more that 50 small businesses were funded in partnership with the NYDA and almost 30 youth beneficiaries were assisted in the license program.

Progress was also made on the implementation of the Electricity Infrastructure Masterplan through the revenue enhancement funding from the Development Bank of Southern Africa (DBSA). This project is assisting the municipality with revenue enhancement as the elements of the project are focused on optimisation of operating costs and decrease losses associated with electricity supply service.

**KJ ZULU**

**Municipal Manager**



## 1.2 Municipal Overview

Ray Nkonyeni Municipality is a category B municipality and falls within Ugu District (DC21) found on the southern part of KwaZulu-Natal (KZN). Its administrative seat is in Port Shepstone. The municipality borders the Indian Ocean on its eastern part while the far southern part of the municipality runs Umtamvuna River which is the boundary between Kwa-Zulu Natal (KZN) and the Eastern Cape. The north-western part is bordered by Umuziwabantu Municipality while Umzumbe municipality borders the northern part and Umdoni Municipality is on its north-eastern boundary. Its boundary extends further to the hinterland which is basically rural and is administered under traditional authority. The coastal belt stretches from Hibberdene to Port Edward and covers approximately 72 km.

### **Vision**

***By 2036 Ray Nkonyeni will be a prime tourist-friendly: economically diversified and smart Municipality with equitable access to opportunities and services in a safe and healthy environment.***

### **MISSION:**

***The Municipality is committed to create an enabling environment for the establishment of agricultural; maritime; leading tourism and industrial hubs to create business and employment opportunities for sustainable development and improved quality of lives through shared vision; smart service delivery solutions and collaboration with stakeholders.***

The coastal belt is characterized by urban formal development and is more developed while the interior has sparsely populated housing typologies with less development. The hinterland is further characterized by steep topography which is one reason probably of less development and this has further affected the settlement patterns. The furthest northern part of the municipality is largely characterized by protected and conservation worthy areas. There are no economic nodes in the hinterland except for one small town, Izingolweni, with a few retail shops. Also in the hinterland is the breathtaking Oribi Gorge which serves as a tourist attraction as well as home to a number of rare species and indigenous forests. On the contrary, the coastal belt is completely dotted by economic nodes of different hierarchies. There are also conservation areas dotted along the coastal belt.

The municipal area covers approximately 1594km<sup>2</sup> in geographic area. Privately owned land constitutes approximately 26 500 hectares. The spatial location of the municipality is an advantage

as the National Road (N2) runs through it providing accessibility and linkage with both Ethekewini metropolitan area and beyond as well as the Eastern Cape. It must be noted that Durban is the main commercial center of KZN and one of the seven metropolitan cities of the Republic of South Africa. Our municipality's close proximity to this sole metropolitan city of the province is a locational advantage.

The main urban centres are found along the coast. The inland region of the municipality as indicated earlier on has more land under the leadership of tribal authorities. Following is a table indicating towns and traditional settlements of the municipality.

**Town Centres and Traditional Settlements (Table 1)**

Town Centres	Traditional Settlements
Hibberdene	KwaXolo
Port Shepstone	KwaNzimakwe
Shelly Beach	KwaNdwalane
Uvongo	KwaMadlala
Margate	KwaMavundla
Ramsgate	Oshabeni
SouthBroom	Kwa Nyuswa
Port Edward	KwaMthimude
Ezinqoleni	KwaVukuzithathe

Ray Nkonyeni Municipality has a population of approximately 392 405 according to the latest StatsSA release, see below:

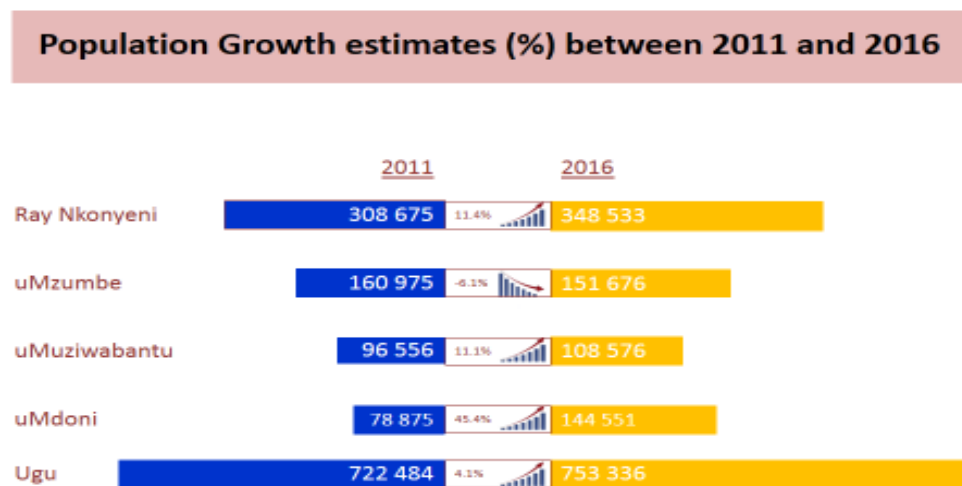
- Population under 15 : 34.4%
- Population 15 to 64 : 61.0%
- Population over 65 : 4.7%

The population within the municipality has been growing rapidly throughout the years due to a number of socio-economic factors. There has been a constant racial pattern as well, with Africans being dominant by a huge margin (82%) and followed by Whites (11%). The African population is distributed throughout the municipal 36 wards. Wards along the coastal belt are densely populated due to economic reasons. Compared to the other three sister local municipalities within the district, RNM

has the highest population. Since 1996 to date, there has been a steady increase in the population mainly due to immigration given the better socio-economic opportunities in RNM compared to other place in the district and neighboring northern part of Eastern Cape Province. Although there was an overall increase across races, Indians fluctuated. The highest population category of the municipality is young people between the ages of 14 and 35. The entire district youth population is 434 080, with RNM alone accounting for just over 50% of this figure.

Consistent with the national trend, the municipality has less males than females. This is attributed to socio-economic factors. In as much as RNM has a thriving economy, due to the steady influx of people from other neighboring municipalities and other areas over the years, there has been a steady rise of unemployment. This has resulted in many people migrating to in search of greener pastures. Another contributing factor of why the number of males is lower is the social factor. According to the district’s Department of Health, statistical information, many men succumb to diseases early in life compared to women.

**Graph 1: Population Growth estimates %**



Source Stats SA 2016

## Dependency ratio

Ugu District Growth and Development Strategy (UDGDS) highlights that the dependency ratio within the district is quite high and there for clustering of social and economic services within rural nodes and corridors must take place to consolidate development and offer job opportunities to curb the high dependency ratio. Ray Nkonyeni Municipality is experiencing quite a lesser percentage of dependency ratio statistics in comparison to the other Ugu District local municipalities. This has been achieved partially by the initiatives the municipality has embarked on such as the development of nodes and corridors as well as the economic activities which have job opportunities. The municipality has also started developing its rural areas in terms of rural nodes.

This is in line with the PGDS initiative to develop rural nodes. For example, the Gamalakhe shopping complex is one semi- rural node that the municipality has developed. Ezinqoleni is a small rural town in the hinterland of the municipality, and this also is one of the catalytic projects the municipality aims at developing to be in line with the PGDS rural development initiative. There are also Precinct Development Plans within the current SDF to develop other rural areas such as KwaMadlala and Gcilima.

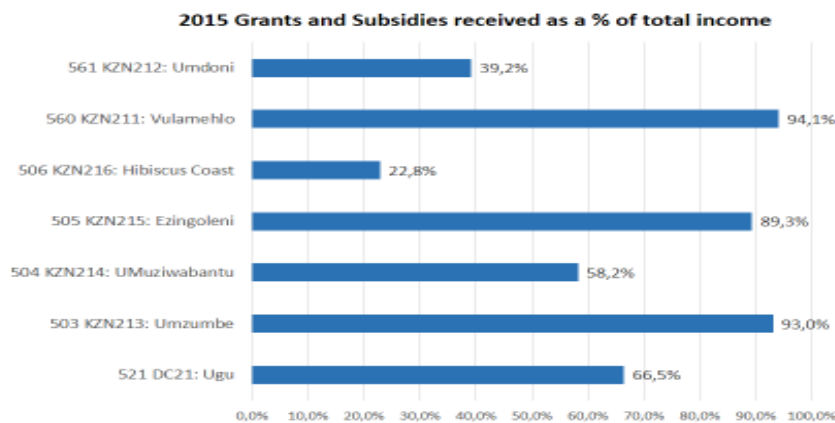
Studying the graph that follows, one notices that former Vulamehlo and Ezinqoleni, Municipalities within the Ugu District experienced high dependency ratios, while current municipalities that is Umzumbe and Umuziwabantu experience the same. On the other hand, former HCM and Umdoni experienced lower dependency ratios. This was attributed to the job opportunities found in both municipalities.

Below is current information showing the dependency ratio in percentages within Ugu District Local Municipalities.

- Umuziwabantu Local Municipality : 58.2%
- Ray Nkonyeni Municipality : 54%
- Umdoni Local Municipality : 65.2%
- Umzumbe Local Municipality : 90%

A summary that can be drawn from the above information is that the dependency ratio amongst each Ugu Local Municipality is quite high. Many people depend on Government grants and subsidies while few hold formal jobs. It must be noted that the strategies formulated by Ray Nkonyeni Municipality will address issues of job opportunities and other means of sustainability, thereby curbing the high dependency ratio. The graph below shows a breakdown of subsidies received as a percentage of total income per each Ugu District Local Municipality before amalgamation.

## Graph 2: Grants and subsidies



Source: Stats SA 2016

## Education

The education levels are improving as more learners are enrolled and reach secondary level (Stats SA 2016). In the past, secondary school was the dominant level of education, and it has remained as such, and now it is also showing great improvement as the number of people at secondary school level has tripled the 2001 figures. Primary schooling has also shown great improvements as more learners are enrolled. This is in line with the 2018 SOPA whereby the Premier stated that every child must have a basic education. There are some challenges however, that are experienced within the Education Sector. A number of urban schools experience a high influx as more learners abandon rural schools. This has resulted in many rural schools with very little enrolment which may result in some being closed down. The exodus is cited as lack of proper education infrastructure and long walking distances. Enrolment in Grade Rs has also seen a steady rise over the years. This is due to the fact that the National Department of Education has made it compulsory for all learners to be enrolled at preparatory school before starting Grade 1. It must be noted that the municipality boasts preschools in almost all its Primary schools. There are also creches that are privately run as well.

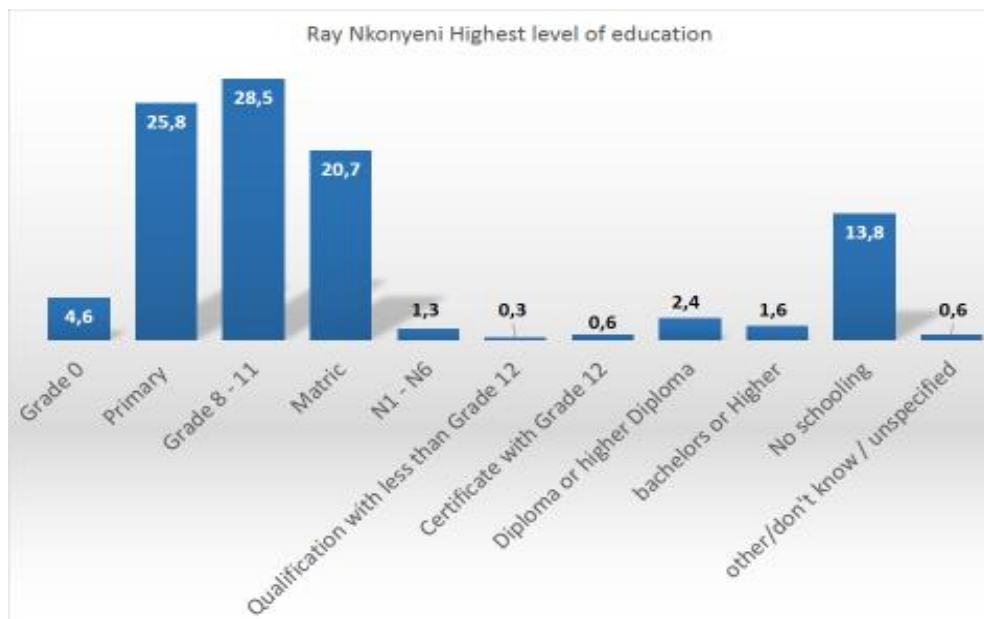
There is a high dropout rate at high school level due to a number of socio-economic ills. Teenage pregnancy, orphans and the abuse of substances are some contributing factors. Ray Nkonyeni Municipality experiences the highest number of teenage pregnancies as compared to the other sister municipalities. Ray Nkonyeni also has special schools that cater for children with special needs and

are fully equipped with resources. The department of education provides special support to these schools to;

- Provide curriculum delivery support to LSEN schools for purposes of improving learner attainment in line with White Paper 6 (Inclusive Education)
- Improve the performance of learners in special schools especially at the level of National Senior Certificate through teacher capacity and learner supportation.

Ray Nkonyeni has four TVET colleges, at KwaNzimakwe, Oslo Beach Gamalakhe and Port Shepstone. Different courses are offered, and the highest certificate obtained is the N6 which is equivalent to a college diploma. The municipality does not have a university but has since signed an MOU with the University of South Africa to develop a university within its jurisdiction. Higher education level s(tertiary) holders within the municipality are low. This may be attributed to by a number of social factors. School dropout rate is high. Other learners are heads of their families since parents have passed on.

**Graph 3: Levels of Education**



Source: Stats SA 2016

There has been a decline of approximately 5 % in the matric pass rate at RNM. The table below details the pass rate.

2022 Pass	2023 pass	Target @ 5% increase/ 7%
86.80%	80.84	85.84%/ 87.84%

## HIV prevalence

According to recent statistics, KZN is the worst affected in terms of HIV and AIDS and the Ugu District Municipal area with highest HIV prevalence especially amongst pregnant women visiting public health facilities. The Murchison and Port Shepstone hospitals are the two accredited Anti-Retroviral (ARV) treatment facilities within the Municipality. These two hospitals initiate ARV treatment and refer patients to the nearest clinic for follow up treatment. Integration of HIV and TB services has been strengthened by training of HIV counsellors on TB Screening.

The World AIDS Day is commemorated on an annual basis. Furthermore, the HIV and Aids jointly with the special programmes unit purchase and deliver school uniforms to vulnerable children in schools. The department of Health conducts annual HIV/AIDS surveys on women visiting antenatal clinics in the province. RNM's Council is committed in the HIV/AIDS infection reduction programme. The municipality has implemented viable programmes to fight the scourge of the disease. More educational programmes / awareness campaigns are necessary to alert the community members of the HIV/AIDS disease.

It will be important to factor into planning the impacts associated with this pandemic and provide adequate services to those living and affected by the virus. Furthermore, it is critical to involve the ward committees, Local AIDS Council and people living with HIV/AIDS in the IDP Forum to discuss issues that affect them and planning matters. The epidemic, for example, will affect infrastructure planning by reducing the projected number of people, impacts on households requiring services as well as their ability to pay for these services and increased demand for health care facilities and social services.

Murchison and Port Shepstone hospitals are the two accredited Anti-Retroviral (ARV) treatment facilities within the Ray Nkonyeni Municipality. These two hospitals initiate ARV treatment and refer patients to the nearest clinic for follow up treatment. The following clinics offer follow up treatment: Margate, Gamalakhe, Bhubhoyi, and Ntabeni. Other clinics refer clients to one of the

two hospitals for ARV treatment. All clinics however provide screening, counseling, and taking blood samples as part of the ARV roll-out programme.

Given the limited resources and strained health system, the demand for ARV's is outstripping the capacity to deliver. Of concern is the long-term sustainability and equitable distribution of the roll-out programme. Pressure to meet target numbers must be tempered by the need for rational drug use by dispensers, providers, and consumers.

### **Natural Resources**

Ray Nkonyeni boasts of a number of natural resources that have provided job opportunities. To mention some:

- the ocean for an example and its alignment to tourism
- The Red dessert
- The KwaXolo Caves and Nyandezulu trail which are rural culturally rich
- The Oribi Gorge which is the largest tourist attraction is also one of the assets the municipality lists under its natural resources

The Municipality has various natural resources ranging from the coastal belt, nature reserves, 3 critically endangered ecosystems (Interior South Coast grasslands, Margate Pondoland-Ugu Sourveld, and the Southern Coastal Grasslands). There is one endangered ecosystem (Oribi-Port Edward Pondoland-Ugu Sourveld) and 3 vulnerable ecosystems (KwaZulu Natal Coastal belt, Ngongoni Veld, and the Pondoland Scarp forest). The Municipality is currently embarking on establishing its Environmental Management Plan which should assist in identifying environmentally sensitive areas, this will assist in ensuring that the Municipality can inform communities and developers before any development occurs that certain areas are endangered ecosystems, and any developments should not affect these areas in a negative way. The areas which are currently listed as endangered and vulnerable are no longer affected by any form of development as this is prohibited.

A major challenge right now is ensuring that environmental management is understood by members of the rural community. With endangered ecosystems which are in the rural community the municipality is challenged by the red tape that exists as the land belongs to the Tribal Authority. The Municipality is engaged in a partnership with Department of Agriculture &



Environmental Affairs to provide education around environmental education and awareness at schools, and communities at large.

These awareness campaigns have assisted, and the Municipality has seen an increase in recycling by communities, also community members are now aware of the different biodiversity that exist e.g., wetlands. The awareness campaigns are an ongoing process and have been well received by the community and business.

Natural Resources	
Major Natural Resources	Relevance to the community
Indian Ocean Coastal Belt	Tourist attraction, enables community to be self-sustaining through fishing.
7 Nature Reserves (Mbumbazi, Mehlomyama, Mpenjati, Oribi Gorge, Skyline, Trafalgar Marine, and Umtamvuna)	Tourist attraction assists in economic growth and employment of community members.
5 Rivers (Mbizana, Mtamvuna, Mzimkhulu, Mzumbe, Vungu)	Used by community for fishing, and other recreational activities.
27 Estuaries	Used by community for fishing, and other recreational activities.

#### Service Delivery

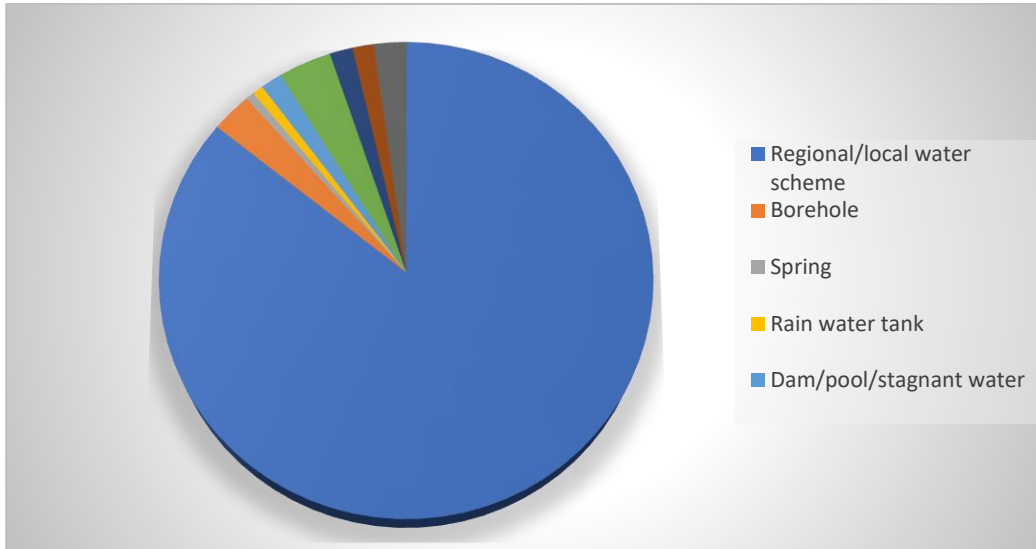
In terms of service delivery, the Ray Nkonyeni Municipality provides for Department of Technical Services and Community Services (Roads, PMU, Electricity and Solid Waste). The municipality does not provide water and sanitation services. Ugu District Municipality is the water authority and thus performs water and sanitation services on behalf of the Ray Nkonyeni Municipality. The municipal area is generally covered with well-developed bulk infrastructure and networks albeit with some backlog in the hinterland.

#### Access to water

Ugu District is the water entity to all its local municipalities. Within RNM, the number of households without access to water is estimated at 10 873 which makes up 13% of the population. The municipality noted that there are still backlogs in terms of clean water provision to some areas in rural areas. The wards with the biggest water backlog in ward 8, 15, 29, 30, 31, 32, 34 and 35. The other wards with hardship in terms of water access are ward 4, 27, 33 and 36. These households use spring, dam and rivers as sources of water and are prone to a number of water-borne diseases. The

Municipality has also made provision of water tankers to supply water to those communities with little or no access to water.

**Graph 3: Percentage of households with different types of accessing water**



Source: Stats SA 2016

### **Access to sanitation**

Communities throughout the municipality have access to different types of sanitations. However, the flush toilet system is the most dominant in urban areas. Amongst the Ugu District Local Municipalities, Ray Nkonyeni Municipality has more households with flush toilet systems (32.9 %) followed by Umdoni Municipality with 28.1 %. It must be noted that both municipalities have large areas which are urban and the demand is extremely high. Umzumbe has only got just 2.7% households with the flush type of sanitation which may be attributed by the steep topography factor which is costly to construct water connections. The entire Ugu district has a very high number of pit toilets and these are mostly rural wards. The Ugu Water Master Plan does talk to this issue. The below graph shows this information in the entire Ugu District

**Graph 3: Main type of toilet facility used**

Main type of toilet facility used	Flush	Chemical	Pit / Other	None
Local municipality 2016				
KZN212 : Umdoni	28.1	15.8	51	5
KZN213 : Umzumbe	2.7	15.3	79.4	2.4
KZN214 : uMuziwabantu	9.2	11	78.4	1.5
KZN216 : Ray Nkonyeni	32.9	2.6	59.1	5.3
<b>Ugu</b>	<b>24.3</b>	<b>8.3</b>	<b>63.2</b>	<b>4.3</b>

Source: Stats SA 2016

### **Access to electricity**

Eskom supplies electricity to most areas within the municipality except for the Port Shepstone area which is supplied by the Ray Nkonyeni Municipality. Survey shows that 96% of the municipality's population has access to electricity. Some rural communities still require infrastructure connection and there is an infill backlog.

### **Access to refuse removal**

The Free Basic Refuse Removal Policy give guidance on collection of refuse for households in the jurisdiction of the municipality. It should be noted that on-site disposal is an option where travelling distances and the resulting costs may render regular waste collection services impractical hence all households with no access to refuse collection services are serviced as level 1-2 of national domestic waste collection standards of 2011 this is well addressed through EPWP and CWP programmes.

Almost all rural wards within the municipality have a backlog in the collection of waste due to lack capacity and budgetary constraints. There are areas, however, with urgent need to have solid waste removal programme implemented. These areas are semi-rural and currently do not have the programme. These areas include;

- Bhobhoyi
- Murchison
- Qina bout and Kwa Xaba

- Gcilima
- Izingolweni (residential area)

Although the municipality is currently not uplifting waste in rural areas, however, there is a section dealing with Education and Waste programs as well as waste minimization initiatives. Some of the initiatives/study include ongoing waste education on illegal dumping/littering to communities and schools, advocating transformed attitudes in matters of waste management, school awareness programmes such as recycling, waste reduction to landfill site, Cost efficiency to rendering of services, Route Optimization for waste trucks. These are ongoing initiatives and strategic plans for sustainable waste management which also include participating in exchange program with other municipalities to learn best practices with regards to waste collection in rural areas.

#### Financial Health

Outstanding debt is a concern for the municipality just as it is for all municipalities, therefore one of our main priorities was to focus around debt collection. To enhance our debt collection process the municipality has created its own Credit Control Section and the function is no longer outsourced, and attorney has also been appointed into this unit. By the end of the financial year we were able to see the benefit of this by the actual collection rate of **93%** being achieved.

Electricity losses still present a major challenge to the municipality, the meter audit is currently done, we are now on phase 2 of the audit were physical verification and replacement of illegal connected meters and broken meters is done.

#### Auditor General

The municipality received a clean audit outcome for both Annual Financial Statements and Performance Information i.e. there are no material findings for the two sectors, however the municipality received an unqualified audit opinion in overall because of the finding relating to compliance with legislation (refer to chapter 6 for full report).

## Chapter 2 – Governance

### Component A: Political and Administrative Governance

#### Political Governance



Cllr GS Shange (Deputy Mayor) – ANC



Cllr SI Mqadi (Mayor) – ANC



Cllr PZ Mzindle (Speaker) – ANC



Cllr TT Hlophe (Chief Whip) – ANC



Cllr MT Lubanyana (EXCO) – ANC



Cllr VL Ntanza (EXCO) – ANC



Cllr ET Khanyase (EXCO) – ANC



Cllr D Rawlins (EXCO) – DA



Cllr L Garbade (EXCO) – DA











Cllr N Mqadi (EXCO) – EFF



Cllr ZB Ndwalane (EXCO) – IFF

## 2.1 Administrative Governance

<b>Municipal Manager</b>	<b>Key Functions</b>
 <p><b>Municipal Manager: KJ Zulu</b></p>	<p>The Municipal Manager is the Accounting Officer of the Municipality and is responsible for ensuring that the administration is run effectively from top down. And as such ensures good governance within the institution through the assistance of the internal audit and risk management units and compliance with all legal requirements through legal services section.</p>
<b>Heads of Departments:</b>	<b>Key Functions:</b>
 <p><b>HOD: Corporate Services: N Thabatha</b></p>	<p>Provides leadership and guidance on human resource management, skills development, labour relations, IT, estates management, employee wellness initiatives, meetings administration and legal advisory services.</p>
 <p><b>Acting HOD: Community Services: Mr P Sithole</b></p>	<p>Provides leadership and guidance to the Department for the achievement of Organisational goals and IDP objectives which enhance service delivery achievements and better services delivered to community.</p>
 <p><b>HOD: Public Safety: Mr S Nzimande</b></p>	<p>Provides leadership and guidance to the Department for the achievement of Organisational goals and IDP objectives which enhance service delivery achievements and better services delivered to community.</p>

 <p><b>HOD: Technical Service: SM Qwabe</b></p>	<p>Provide leadership and strategic direction in regard to housing, roads &amp; storm water, electricity, public works, facilities management, institutional &amp; social development and project management administration. Provide guidance to the council, executive committee and local community with regards to provision of basic infrastructural services. Ensure compliance with all legislative requirements.</p>
 <p><b>Acting HOD: Development Planning Services: Mr R Naidoo</b></p>	<p>To provide leadership and guidance with regards to Economic Development and Development planning.</p> <p>Provide leadership and guidance on Spatial and environmental management through town planning, building control, environmental management and signage control.</p>
 <p><b>Acting HOD Strategic Planning &amp; Governance: Mr S April</b></p>	<p>Provide leadership and guidance on mayoralty, communications, brand management, marketing, events, public participation, youth development, vulnerable groups' development and empowerment, occupational health and safety of the workplace environment, integrated development planning and organizational performance management.</p>
 <p><b>CFO: Ms A Zuma</b></p>	<p>Provides leadership and guidance in overseeing all Treasury activities, ensuring compliance with all acts and legal prescripts required for accurate reporting to all stakeholders</p>

## 2.2 Audit/Performance audit Committee Chairperson's report

### Audit Committee Report for the year ended 30 June 2023

The audit committee presents its report for the year ended 30 June 2023.

#### Audit committee members and attendance

The audit committee consisting of the following five (5) members listed hereunder should meet at least four (4) times per annum as per its approved terms of reference. Five (5) meetings were held during the fiscal year.

Name of member	Number of meetings attended
Mr. A.D. Gonzalves (Chairperson)	5/5
Mr. Z. Zulu	5/5
Mr. T Zakuza	3/5
Ms. S Dlungwane	3/5
Ms. L Khumalo	2/5

Ms. L. Khumalo sadly passed away during December 2022. The vacant post was not filled by year end. Procedural processes by the district municipality to fill the vacancy are currently in progress. All members are external and therefore independent with no conflicts of interests being reported.

#### Audit committee meetings

Since the beginning of the current fiscal year, the audit committee held its meetings as follows:

Meeting	Date	Type of meeting
1.	22 July 2022	Special
2.	22 August 2022	Special
3.	20 October 2022	Ordinary
4.	21 January 2023	Ordinary
5.	21 April 2023	Ordinary

Separate meetings with MPAC, Senior Management, the AGSA and Council were also held.

#### Audit committee responsibility

The audit committee reports that it has complied with its responsibilities arising from section 166 of the MFMA and 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.

#### The effectiveness of internal controls

In line with the MFMA, the internal audit function provides the audit committee and management with assurance that the internal controls are appropriate and effective. This is achieved by means of the risk management process, as well as the identification of corrective actions and suggested enhancements to the controls and processes. From the in-year reports of the internal audit function, the audit committee is pleased to report that there were no material exceptions raised that would negate the municipality's control environment and therefore the audit committee reports that it is satisfied that the current control environment is effective with the exception of the following:

- Improvement over management oversight on enforcing compliance with general conditions of some contracts and service level agreements is required to limit risk exposure to the municipality.



- Management oversight on ensuring that the procurement plan is updated throughout the year in line with new approvals is recommended to prevent increased virements and unauthorized expenditure, and
- Supervisory controls and management reviews over expenditure management were not effective throughout the year.

### **Internal audit**

The committee reviewed and approved the internal audit charter, internal audit methodology and the risk based annual internal audit plan. It reviewed the work performed by internal audit on a quarterly basis and the implementation of internal audit recommendations. In compliance with the MFMA, internal audit provided the committee and management with assurance that the internal controls are adequate and effective. This was achieved through the implementation of a risk management process, as well as the identification of corrective action and recommended enhancements to the controls and processes.

Reports from internal audit recommended improvements over cessionary payments to comply with the creditors and staff payment policy, terms and conditions as defined in the service level agreement in respect of the lease of the building on No.46 Aiken Street be enforced and implemented, the procurement plan be updated during the course of the financial year in line with new approvals, and enforcement of penalty deductions in terms of the general conditions of contract for the late delivery of goods and services.

The committee is satisfied that the internal audit function had operated effectively and that it actively assisted management in addressing the risks pertinent to the municipality. The committee noted that an internal auditor had tendered her resignation during the fourth quarter limiting internal audit capacity. This resulted in the internal audit review of the tariff audit (electricity billing) being rolled over to the 2023/24 financial year.

Internal audit monitored and reported on the implementation of management corrective actions undertaken to address previous audit findings. In doing so, it assisted management and council in mitigating risks thus playing a pivotal role through combined assurance to assist in risk management and strengthen controls over financial and performance management reporting. The audit committee is satisfied that the internal audit function has maintained its independence and objectivity throughout the under review.

The audit committee recommends that:

- management continue to cooperate with the internal audit function to improve the current control environment through the timely implementation of recommended actions,
- follow up audits be completed on a quarterly basis to prevent recurrence of repeated findings,
- The vacancy within the internal audit function be filled as a matter of priority, and
- the internal audit function be capacitated with funding to employ outside service providers to assist in discharging internal audit engagements that require specialist information technology audit skills and competencies.

### **Information and communication technology (ICT)**

In the prior year, the internal audit function reported recommendations relating to implementing safety measures in the form of installation of a gas suppression system at the Margate municipal offices, user security management over systems be improved by ensuring that account login settings are amended to certify that a user's account is locked after three (3) unsuccessful login attempts, email accounts of terminated employees be deleted, redundant user accounts be deactivated, and change request forms be signed off as being reviewed by the system administrator ensuring that information is complete and valid. Based upon an internal audit follow-up review during the 2022/23 fiscal year, the audit committee

noted that all recommendations were implemented by management. The audit committee is satisfied with the control environment over ICT.

### **Risk management**

During the year, reports from the risk management committee were considered by the audit committee. The committee recommends that council and management ensure that management action to address electricity losses as a result of illegal connections be prioritized. The committee further recommends that:

- the operational, strategic and fraud risks that remain high be carried over to the current financial year of 2024 for ongoing management and monitoring.
- a risk-based approach be followed when assessing electricity loss/theft/illegal connections coupled with geographical trend analysis to identify wards that appear to be consuming less than expected electricity consumption that would normally appear to be unusual.
- the municipality consider implementing regular/periodic meter and line audits in areas/wards where electricity theft is highly susceptible.
- Strategic and operational risks associated with the complete utilisation of the available airspace of the Oatlands landfill site be continually monitored to ensure timely implementation of management action, and
- an external, non-executive individual with the requisite skills and expertise be appointed as chairperson of the risk management committee to ensure that regular reporting on risk management matters to the council is observed.

The Audit Committee will continue to exercise its advisory and oversight function with respect to risk management.

### **Financial reporting**

The audit committee reviewed the section 52d quarterly reports, and various other reports from the Budget and Treasury department. Based on the quality of the in-year quarterly reports submitted in terms of the MFMA, and the year-end reporting process, the audit committee is satisfied that there is a developed system of internal control over financial reporting, which allows for credible reporting in a timely manner. Management is encouraged to implement continual focus on the recoverability of outstanding statutory and trade receivables to avoid the potential burden on future cashflows from operating activities.

### **Municipal performance management (PMS) year end and in-year reporting**

The audit committee is pleased to report that the evaluation of the annual performance for section 56/57 employees for the year ended 30 June 2022 commenced on the 10<sup>th</sup> of May 2023 and will enable council to comply with regulation 4(d)(iv) of the local government, municipal performance regulations for Municipal Managers and Managers directly accountable to the Municipal Manager. During the prior fiscal year, the audit committee interrogated the quarterly performance reports by management. Internal audit reports on their quarterly reviews over the organisational PMS were also considered. Management is encouraged to implement adequate oversight and review over the portfolio of evidence in support of achieved targets. There are no further areas of concern to be reported that warrant the attention and intervention of Council.

### **External audit: Auditor General South Africa**

The audit committee reviewed, and discussed the audit report, management letter and engaged the AGSA on the audit report and management letter. The audit committee is satisfied with the independence of the Auditor General (South Africa). The audit committee concurs with and accepted the AGSA's audit report on the annual financial statements and is of the opinion that the audited annual financial statements should be accepted and read together with the report of the AGSA.

### **Conclusion**

The audit committee thanks council, the mayor, the chairperson of MPAC, the Municipal Manager, the Chief financial officer, senior management, and the administrative staff and the AGSA for their cooperation with the audit committee. The audit committee relies extensively on the work of internal audit. The audit committee expresses its gratitude to the Manager: Internal Audit and her team for their assistance and cooperation.

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**Chairman: Audit Committee**

A.D Gonzalves

## Component B: Intergovernmental Relations

### 2.3 Intergovernmental Relations

The municipality partakes in the following meetings to foster intergovernmental relations:

<b>District</b>	<b>Provincial</b>	<b>National</b>
IGR meeting	Provincial Council on Aids	CIGFARO
Ugu District Aids Council	Munimec	Salga National Members Assembly
Ugu District IDP	Salga Provincial members Assembly	
Ugu District Disaster Forum	Premier's Co-coordinating Forum	
Water and Sanitation	Extended Premier's Co-coordinating Forum	
Ugu Council	Provincial Tourism Committee	
Ugu Special Programmes	Annual Joint Municipal Pension Fund	
Speakers Forum	Provincial Tourism Committee	

## Component C: Public Accountability and Participation

Ray Nkonyeni Municipality established ward committees as one of the participatory structures to ensure that there is an effective system whereby communities can raise matters of concern that will be taken up with the municipality. The ward committee system has been effective, and communities have echoed these sentiments at the izimbizo (public meetings) that have been held during the consultation periods.

Other participatory structures include the IDP Forum where ward councilors and members of the community are invited to participate and give inputs regarding the formulation of the municipalities IDP. The municipality also uses these forums to name a few; Senior Citizens, Youth and Disability forums.

There have been War-rooms launched and this has further extended the platforms of participation at ward/cluster level for the municipality.

## 2.5 Public Meetings

The Municipality held Izimbizo (public meetings) in each of its 7 clusters. The Izimbizo are first held during the month of November, and the public participates in shaping the IDP for the following year and makes the Municipality's political and administrative governance structure aware of challenges faced at ward level and highlight challenges regarding infrastructure and other projects taking place in their communities even those being facilitated by another organ of state. During this reporting cycle Izimbizo were held during the month of November 2022. Thereafter the Izimbizo are held in April 2023 when the Draft Budget has been submitted to the Council. The community has an opportunity to engage with the Municipality regarding which projects have been funded for the following financial year and the planned projects for the next 3 years based on the budget submitted. The comments received at these meetings are considered when the Final IDP and Budget are submitted to Council for adoption.

Overall, the Municipality held 18 Izimbizo between November 2022 and April 2023. Which shaped the 2023-24 IDP, Budget and Service Delivery Budget Implementation Plan (SDBIP). It is estimated that +-1500 members of the community including business participated in the IDP development process.

The Municipality also uses the IDP representative forums to engage ward councillors and other stakeholders including community members when it formulates its IDP. About +- 100 people attend the meetings which are held once quarterly. These meetings also assist the ward councillors to engage Provincial Departments regarding projects currently taking place and where communities are facing challenges and Departments need to assist in providing solutions. The meetings not only provide a platform for stakeholders to engage with the Municipality but also for the Municipality to engage with other key role-players in Service Delivery.

### **Ward Committees:**

The key purpose of ward committee system is to enhance participatory democracy in local government.

Below is a list of some of the issues our ward committees assisted with during the year under review:

- Reported service delivery problems in various areas of the municipality;
- Participated as steering committee members in several development projects;
- Provided support to ward councillors during community gatherings;
- Assisted with community mobilization for municipal programs such as Mayoral Izimbizo;

- Engaged in campaigns such as identifying indigent citizens for municipal database purposes.

Public Meetings Held:						
Nature and purpose of meeting	Date of event	Number of Participating Municipal Cllrs	Number of participating Municipal Administrators	Number of Community members attending	Issue addressed (Yes/No)	Date and Manner of feedback given to community
Izimbizo (Cluster 1B)	Wednesday, 23 November 2022	03	15	182	<b>WARD 35</b> NAME: Mr Hlongandlebe <ul style="list-style-type: none"> <li>Access road to be refurbished and</li> <li>Fixing of old boreholes</li> </ul> NAME: Dion Mbatha <ul style="list-style-type: none"> <li>Boreholes in Schools;</li> <li>RDP houses;</li> <li>Quarry on access roads;</li> <li>Job opportunities</li> <li>People older than 35 be considered for funding opportunities</li> </ul>	WEDNESDAY, 23 November 2022  Mayor of Ray Nkonyeni and the District Mayor addressed the public on how the municipality functions, noted relevant complains to be addressed
Izimbizo (Cluster 1B)	Wednesday, 23 November 2022	03	15	182	NAME: Mr Xolani Mbatha <ul style="list-style-type: none"> <li>Maintenance of Vuka Sports field at Ndunu</li> <li>Security personnel in all halls</li> <li>Training on SMMEs</li> </ul> <b>WARD 36</b> NAME: Thandiwe Gasa <ul style="list-style-type: none"> <li>Requested job opportunities for youth;</li> <li>Taxi Rank at EZingoleni</li> </ul> NAME: Mlondi Ntozakhe <ul style="list-style-type: none"> <li>Request High school in Ward 36; and</li> </ul>	WEDNESDAY, 23 November 2022  Mayor of Ray Nkonyeni and the District Mayor addressed the public on how the municipality functions, noted relevant complains to be addressed

Public Meetings Held:						
Nature and purpose of meeting	Date of event	Number of Participating Municipal Cllrs	Number of participating Municipal Administrators	Number of Community members attending	Issue addressed (Yes/No)	Date and Manner of feedback given to community
Izimbizo (Cluster 1C)	Wednesday, 23 November 2022	05	15	195	<p>Safety and Security measures be put in place in the community</p> <p>NAME: Goodstuff Skhosana, requested;</p> <ul style="list-style-type: none"> <li>Information regarding Mayoral Imbizo be communicated not only on Social Media pages;</li> <li>Job opportunities be made available during the construction of Intermodal Facility.</li> <li>Construction of sport fields around the area</li> </ul> <p><b>WARD 30</b> NAME: Mr FK Mfeka Requested:</p> <ul style="list-style-type: none"> <li>Refurbishment of Ezinkukhwini, Thembalesizwe, Mtateni, Ngwenya, Mthandazi, Goqozi, Khalweni to Emthini Roads.</li> <li>Maintenance of Mqhinqa Bridge</li> </ul> <p>NAME: Mrs Khawula Requested:</p> <ul style="list-style-type: none"> <li>Job opportunities;</li> <li>Shelters in sportsfields</li> </ul> <p>NAME: Mr Musa Nyawose</p>	<p>WEDNESDAY, 23 November 2022</p> <p>Mayor of Ray Nkonyeni and the District Mayor addressed the public on how the municipality functions, noted relevant complains to be addressed</p> <p>Wednesday, 23 November 2022</p> <p>Mayor of Ray Nkonyeni and the District Mayor addressed the public on how the</p>
Izimbizo (Cluster 1C)						

Public Meetings Held:						
Nature and purpose of meeting	Date of event	Number of Participating Municipal Cllrs	Number of participating Municipal Administrators	Number of Community members attending	Issue addressed (Yes/No)	Date and Manner of feedback given to community
Izimbizo (Cluster 3)	Thursday, 10 November 2022	01	08	239	<p>Requested;</p> <ul style="list-style-type: none"> <li>Funding of small farmers</li> </ul> <p><b>WARD 31</b> NAME: Bongani Shezi</p> <ul style="list-style-type: none"> <li>Requested RDP Houses; <ul style="list-style-type: none"> <li>Speed humps at EZingoleni</li> <li>High master lights</li> <li>Municipal offices to be rebuilt</li> <li>Skills Development Centre</li> <li>Crime prevention around the area</li> </ul> </li> </ul> <p>NAME: Linda Mtshali Requested;</p> <ul style="list-style-type: none"> <li>Leadership training funding be directed to skills development trainings; <ul style="list-style-type: none"> <li>And grants pertaining to poverty alleviation be provided to Communities</li> </ul> </li> </ul> <p>NAME: Zanelile Ndovela Requested</p> <ul style="list-style-type: none"> <li>RDP Houses; <ul style="list-style-type: none"> <li>Water tankers to provide water;</li> <li>Amanzimhlophe Hall be maintained and have offices</li> </ul> </li> </ul> <p>NAME: Mthobisi Ncane Requested:</p>	<p>municipality functions, noted relevant complains to be addressed</p> <p>Thursday, 10 November 2022</p> <p>Mayor of Ray Nkonyeni and the District Mayor addressed the public on how the municipality functions, noted relevant complains to be addressed</p>
Izimbizo (Cluster 3)	Thursday, 10 November 2022					



Public Meetings Held:						
Nature and purpose of meeting	Date of event	Number of Participating Municipal Cllrs	Number of participating Municipal Administrators	Number of Community members attending	Issue addressed (Yes/No)	Date and Manner of feedback given to community
Izimbizo (Cluster 03)	Thursday, 10 November 2022	03	10	237	<ul style="list-style-type: none"> <li>Maintenance of roads in the ward; <ul style="list-style-type: none"> <li>Hall at Ward 32;</li> <li>Ward Committee salary increase</li> </ul> </li> </ul> <p><b>WARD 01</b>  NAME: Ms Philisiwe Mlambi Requested;  •Community meetings from Ward 01 Councilor;  •Building of Parks and Gardens around the area; and  •Issues of informal trader permits be resolved.</p> NAME: Mr Thabani Mbewana •Requested concrete road at Mission area; •Demolishment of Disco Building; •Wi-Fi at MPCC; and •Prioritization of Nzimakwe business people NAME: Ms Ntombizonke Cele requested for the following services •Construction of sport fields for women; •AmaGeja for their agricultural project; and •RDP House for Simamane family as their house was burnt Down <p><b>WARD 02</b>  <b>There was no representative from Ward 02</b></p>	<p>Thursday, 10 November 2022</p> <p>Mayor of Ray Nkonyeni and the District Mayor addressed the public on how the municipality functions, noted relevant complains to be addressed.</p> <p>Thursday, 10 November 2022</p> <p>Mayor of Ray Nkonyeni and the District Mayor addressed the public on how the municipality functions, noted relevant complains to be addressed.</p> <p>Thursday, 10 November 2022</p> <p>Mayor of Ray Nkonyeni and the District Mayor addressed the public on how the</p>

Public Meetings Held:						
Nature and purpose of meeting	Date of event	Number of Participating Municipal Cllrs	Number of participating Municipal Administrators	Number of Community members attending	Issue addressed (Yes/No)	Date and Manner of feedback given to community
Izimbi zo (Cluster 4)	Monday, 07 November 2022				<p><b>WARD 06</b></p> <p>A representative from Ward 6 requested for the following services</p> <ul style="list-style-type: none"> <li>•Signage, construction of speed humps;</li> <li>•Scholar patrols around schools at Margate;</li> <li>•Crime in Kgodolo Park be addressed; and</li> <li>•Non collection of refuse at Margate be addressed</li> </ul> <p>NAME: Ms Nokwanda Ngceku</p> <p>expressed deep concerns about the following:</p> <ul style="list-style-type: none"> <li>•Seaslopes tavern that was causing havoc around the area;</li> <li>•The issue of abandoned houses; and</li> <li>•Further requested a funding programme for street vendors</li> </ul> <p><b>WARD 10</b></p> <p>NAME: Mr Bongumusa Mthethwa</p> <p>Requested:</p> <ul style="list-style-type: none"> <li>•Construction of bridge linking Thundeza and Macandondo;</li> <li>•Community hall at Thundeza area;</li> <li>•Mafahleni construction to attend the access roads;</li> <li>•Primary School at Khalifonikha area; and</li> <li>•That Nxumalo Bridge be attended at Madabalaza area</li> </ul> <p>NAME: Ms Khanyisile Nzimakwe</p> <ul style="list-style-type: none"> <li>•Requested that businesspeople be recognized; and</li> <li>•Library at Nzimakwe be opened soon.</li> </ul> <p><b>WARD 19</b></p>	<p>municipality functions, noted relevant complains to be addressed.</p> <p>Monday, 07 November 2022</p> <p>Mayor of Ray Nkonyeni and the District Mayor addressed the public on how the municipality functions, noted relevant complains to be addressed.</p>
zimbi zo (Cluster 4)	Monday, 07 November 2022				<p><b>WARD 10</b></p> <p>NAME: Mr Bongumusa Mthethwa</p> <p>Requested:</p> <ul style="list-style-type: none"> <li>•Construction of bridge linking Thundeza and Macandondo;</li> <li>•Community hall at Thundeza area;</li> <li>•Mafahleni construction to attend the access roads;</li> <li>•Primary School at Khalifonikha area; and</li> <li>•That Nxumalo Bridge be attended at Madabalaza area</li> </ul> <p>NAME: Ms Khanyisile Nzimakwe</p> <ul style="list-style-type: none"> <li>•Requested that businesspeople be recognized; and</li> <li>•Library at Nzimakwe be opened soon.</li> </ul> <p><b>WARD 19</b></p>	<p>Monday, 07 November 2022</p> <p>Mayor of Ray Nkonyeni and the District Mayor addressed the public on how the municipality functions, noted relevant complains to be addressed.</p>

Public Meetings Held:						
Nature and purpose of meeting	Date of event	Number of Participating Municipal Cllrs	Number of participating Municipal Administrators	Number of Community members attending	Issue addressed (Yes/No)	Date and Manner of feedback given to community
Izimbizo (Cluster 04)	Monday, 07 November 2022				There was no representative from ward 19	Monday, 07 November 2022 Mayor of Ray Nkonyeni and the District Mayor addressed the public on how the municipality functions, noted relevant complains to be addressed
Izimbizo (Cluster 4)	Monday, 07 November 2022				<p><b>WARD 03</b> There were no representatives for this ward</p> <p><b>WARD 05</b> NAME: Ms Makhosi Langeni</p> <ul style="list-style-type: none"> <li>•Conveyed gratitude to the Ward Councillor for his leadership and for the construction of Mkobozi Road;</li> <li>•Emphasised that Ward Committees involvement in service delivery was vital; and</li> <li>•Requested for the rehabilitation of the Centre.</li> </ul> <p>NAME: Ms Fikile Mdleko Requested for repairs on Ntombela Road and urged community to safeguard their facilities</p> <p>NAME: Mr Alwande Mbatha</p> <ul style="list-style-type: none"> <li>•Expressed gratitude for the strides taken to address water challenges, thus requested for improvement of communication from UGu District to avoid unnecessary</li> </ul>	Monday, 07 November 2022 Mayor of Ray Nkonyeni and the District Mayor addressed the public on how the municipality functions, noted relevant complains to be addressed

Public Meetings Held:						
Nature and purpose of meeting	Date of event	Number of Participating Municipal Cllrs	Number of participating Municipal Administrators	Number of Community members attending	Issue addressed (Yes/No)	Date and Manner of feedback given to community
Izimbizo (Cluster 4)	Monday, 07 November 2022				<p>tensions. Also, requested for the repair of the sewerage system;</p> <ul style="list-style-type: none"> <li>•A proposal was submitted that the empty building at Magorha be given to local businesses to utilise to curb vandalism;</li> <li>•Concerns were voiced regarding the exploitation of the EPWP and Ward Committees hence the matter needs to be attended to;</li> <li>•Proposed that the municipality must budget for concrete roads instead of potholes repairs; and</li> <li>•Also, proposed that a summit be held between Traditional Authorities and municipality to deliberate on the suitable development area to be allocated to people since some had been allocated in wetlands, also in areas where it hinders service delivery.</li> </ul>	<p>Monday, 07 November 2022</p> <p>Mayor of Ray Nkonyeni and the District Mayor addressed the public on how the municipality functions, noted relevant complains to be addressed</p>
Izimbizo (Cluster 4)	Monday, 07 November 2022				<p><b>WARD 25</b> NAME: Ms Ntombenhle Malunga</p> <ul style="list-style-type: none"> <li>•Progress was sought on the Nkulu road project;</li> <li>•Requested for streetlight or highmast; and</li> <li>•Lastly urged that employment opportunities be made available for all.</li> </ul>	

Public Meetings Held:						
Nature and purpose of meeting	Date of event	Number of Participating Municipal Cllrs	Number of participating Municipal Administrators	Number of Community members attending	Issue addressed (Yes/No)	Date and Manner of feedback given to community
Izimbizo (Cluster 4)	Monday, 07 November 2022	10	16	325	<p>NAME: Mr Msomi</p> <ul style="list-style-type: none"> <li>•Mr Msomi shared the sentiments made by the previous speaker regarding employment opportunities;</li> <li>•It was noted that there were challenges with the Ward Councillor hence requested for the Speaker's intervention; and</li> <li>•Sought progress report on the VIP Toilets project. Also, a request was submitted that Ethafeni area be given attention since it has been neglected iro service delivery.</li> </ul> <p><b>WARD 26</b></p> <p>NAME: Ms Ntokozo Nzimande Requested for water standpipe and reviving of jojo tanks programme.</p> <p>NAME: Mrs Khawula Conveyed gratitude to the Ward Councillor for his tireless efforts. Also, requested for 40 houses through the Sukuma Sakhe programme</p> <p>NAME: Mr Buyisani Mafu</p> <ul style="list-style-type: none"> <li>•Requested for the construction of Emthini Road; and</li> <li>•Further urged that attention be focused on service delivery projects since employees were being exploited.</li> </ul> <p><b>WARD 27</b></p>	<p>Monday, 07 November 2022</p> <p>Mayor of Ray Nkonyeni and the District Mayor addressed the public on how the municipality functions, noted relevant complains to be addressed</p> <p>Monday, 07 November 2022</p> <p>Mayor of Ray Nkonyeni and the District Mayor addressed the public on how the municipality functions, noted relevant complains to be addressed</p>
Izimbizo (Cluster 5)						

Public Meetings Held:						
Nature and purpose of meeting	Date of event	Number of Participating Municipal Cllrs	Number of participating Municipal Administrators	Number of Community members attending	Issue addressed (Yes/No)	Date and Manner of feedback given to community
Izimbizo (Cluster 5)	Friday, 11 November 2022				<p>NAME: Mr Sizwe Mavundla – Nositha</p> <ul style="list-style-type: none"> <li>•Expressed gratitude for the bridge repairs;</li> <li>•It was noted UGu District Plumbers were not assisting communities which adds to distress of not having water supply thus, requested for Jojo tanks; and</li> <li>•Lastly requested for a high school and clinic</li> </ul> <p>NAME: Mr Sanele Phehlukwayo</p> <ul style="list-style-type: none"> <li>•Conveyed gratitude for the work done on Ring Road;</li> <li>•Appreciated the ongoing KwaXaba Housing Project and urged that it be expedited;</li> <li>•Requested for the MPCC to be included in the municipal budget;</li> <li>•Requested for intervention on the VIP Toilets and water issues at Mbhoshongweni; and</li> <li>•Lastly requested for the road at Mqolombeni.</li> </ul>	Monday, 07 November 2022 Mayor of Ray Nkonyeni and the District Mayor addressed the public on how the municipality functions, noted relevant complains to be addressed
Izimbizo	Friday, 11 November 2022	11 Register not available.	02	154	<p>NAME: Mrs Dladla</p> <ul style="list-style-type: none"> <li>•Concerns were voiced that the Women Empowerment funds were not catering for all since they did submit applications for funding however they were never informed as why it was not successful hence urged that procedure be outlined;</li> <li>•Ward Councillor was commended for his tireless efforts; and</li> <li>•Further reiterated that water issues at Mbhoshongweni be attended immediately since the area was developing rapidly.</li> </ul>	Friday, 11 November 2022 Mayor of Ray Nkonyeni and the

<b>Public Meetings Held:</b>						
<b>Nature and purpose of meeting</b>	<b>Date of event</b>	<b>Number of Participating Municipal Cllrs</b>	<b>Number of participating Municipal Administrators</b>	<b>Number of Community members attending</b>	<b>Issue addressed (Yes/No)</b>	<b>Date and Manner of feedback given to community</b>
(Cluster 6)  Izimbo(Cluster 6)	Monday, 21 November 2022          Monday, 21 November 2022				<p><b>WARD 28</b></p> <p>NAME: Mr Elias Mdingi</p> <ul style="list-style-type: none"> <li>Concerns were voiced that some roads and bridges that were damaged during the recent floods had not been attended to which posed a risk to the community and affected their livelihoods, thus urged that the matter expedited. Further urged that the contractor appointed to construct the walkway must be invited to inspect the project since it was dissatisfactory;</li> <li>Conveyed gratitude for the water relief programme;</li> <li>It was noted that Eskom had installed metre boxes however all of those were not working hence requested for municipals intervention. Also, submitted a request for the streetlights;</li> <li>Urged for the revival of Post Office services in the townships;</li> <li>UGu District to attend to sewerage drainage system challenges;</li> <li>Operation Mbo services were requested</li> </ul> <p>NAME: Mrs Ngongoma</p> <ul style="list-style-type: none"> <li>Urgent repairs of the sewerage drainage system at snakeway; and</li> <li>Purification of water was emphasised.</li> </ul>	<p>District Mayor addressed the public on how the municipality functions, noted relevant complains to be addressed</p> <p>Friday, 11 November 2022</p> <p>Mayor of Ray Nkonyeni and the District Mayor addressed the public on how the municipality functions, noted relevant complains to be addressed</p>

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Nature and purpose of meeting	Date of event	Number of Participating Municipal Cllrs	Number of participating Municipal Administrators	Number of Community members attending	Issue addressed (Yes/No)	Date and Manner of feedback given to community
	Monday, 21 November 2022				<p><b>WARD 21</b></p> <p>NAME: Sboniso Ndwalane requested for the following</p> <ul style="list-style-type: none"> <li>•Reconstruction of Ngolela Road;</li> <li>RDP House for a disabled person at Ngolela (name of the person was not mentioned)</li> <li>•Road to Nobamba, Nkonka and Sister Johns needed to be Maintained</li> <li>•Requested Tar Road for Mbambayi Main Road;</li> <li>•Additional RDP Houses at Ward 21 <ul style="list-style-type: none"> <li>• Highmaster Lights;</li> <li>• More concrete roads in the Ward;</li> <li>• Maintenance of drainage systems to avoid roads being Damaged;</li> <li>• Graveling of Road to Nkonka Sportsfield and</li> <li>• Construction of bridge at Mdlazi</li> </ul> </li> </ul> <p>NAME: Ms Zinhle Ndimeni</p> <ul style="list-style-type: none"> <li>•Highlighted the issue of crime at schools</li> </ul>	<p>Monday, 21 November 2022</p> <p>Mayor of Ray Nkonyeni and the District Mayor addressed the public on how the municipality functions, noted relevant complains to be addressed</p>
	Tuesday, 8 November 2022				<p>NAME: Ms Zinhle Ndimeni</p> <ul style="list-style-type: none"> <li>•Highlighted the issue of crime at schools</li> </ul>	<p>Monday, 21 November 2022</p> <p>Mayor of Ray Nkonyeni and the District Mayor addressed the public on how the municipality</p>



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					<p>•Requested KwaVeshe Community Hall to be maintained</p> <p><b>WARD 22</b>  NAME: Mr Sandile Dladla  •Job opportunities in the construction of the Intermodal Facility  NAME: MS Nosipho Mbutho requested;  •Maintenance of ablution facilities at Maveshe Hall and Security personnel;  •Concrete access road in all VDs;  •Recreational centre;  •Maintenance of sports fields and  •Maintenance of Madakane Community Hall  NAME: Ms Nokubonga Shabane  •Requested a Creche at Newtown area</p> <p><b>WARD 23</b>  A representative from Ward 23 requested for the following services  •Fixing of potholes at Unopuoni street;  •Construction of bridge and installation of streetlights near Sidumuile School and;  •RDP Houses</p> <p>NAME: Mr Mandoza Memela  •Requested maintenance of Mchunu, Shozi, Ntuli and Mfeka Roads;  •High master lights and;  •RDP Houses;</p> <p><b>WARD 24</b>  NAME: Mr Thulani Nzimande requested</p> <p>•Maintenance of ERingini road to Jingela;  •Borehole at Mtshinga area</p>	<p>functions, noted relevant complains to be addressed</p> <p>MONDAY, 21 November 2022</p> <p>Mayor of Ray Nkonyeni and the District Mayor addressed the public on how the municipality functions, noted relevant complains to be addressed</p>

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Nature and purpose of meeting	Date of event	Number of Participating Municipal Cllrs	Number of participating Municipal Administrators	Number of Community members attending	Issue addressed (Yes/No)	Date and Manner of feedback given to community
					<p>NAME: Mr Xolani Ndovela</p> <ul style="list-style-type: none"> <li>•Maintenance of MPCC (security room, toilets and unlock computer room)</li> <li>•Maintenance of all sport fields;</li> <li>•High master light at Ndlavini/Mbuqu area;</li> <li>•Skills Centre at Nyandezulu area and Job opportunities for Youth in particular</li> </ul> <p>NAME: Mr Mshana requested for the following services;</p> <ul style="list-style-type: none"> <li>•Employment of Ward Committees and Disabled people;</li> <li>•Disability Help Desk at the Municipality</li> <li>•RDP houses</li> </ul> <p><b>WARD 04</b></p> <p>NAME: Ms S Madlala indicated that what she was requesting the same thing as requested before, she was</p> <ul style="list-style-type: none"> <li>•Concerned about the rising of crime in Port Shepstone CBD;</li> <li>•RDP houses provided was appreciated requested more;</li> <li>•Overgrown verge on sidewalks and a bush near MPCC was a concern;</li> <li>•Requested grading of the road towards Oshabeni Tribal Authority, assistance in terms of grading road be provided to the bereaved families and;</li> <li>•Rehabilitation of Chief Road was requested;</li> </ul> <p><b>WARD 17</b></p> <p>Representatives from Ward 17 raised the following;</p> <ul style="list-style-type: none"> <li>• Training on recycling to avoid Illegal dumping;</li> <li>• Issue of RDP houses that became rental houses;</li> <li>• Shortage of water in the communities and unavailability of watertankers;</li> </ul>	<p>TUESDAY, 08 November 2022</p> <p>Mayor of Ray Nkonyeni and the District Mayor addressed the public on how the municipality functions, noted relevant complains to be addressed</p> <p><b>Ward 12</b></p> <p><b>There was no representative from Ward 12.</b></p> <p><b>Ward 13</b></p> <p><b>NAME:</b> Mr Fa Ngcobo</p> <ul style="list-style-type: none"> <li>• It was reported that several attempts had been made meet with the Ward Councillor and discuss community issues to no avail hence they no longer want their Ward Councillor. thereafter requested that they be allocated a PR Councillor to assist in the Ward;</li> <li>• Concerns were voiced that the Hibberdene Informal Traders was utilised by Umthwalume residents instead of local people, engagements have been held to address</li> </ul>

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					<ul style="list-style-type: none"> <li>Road infrastructure refurbishment was requested, potholes in uphill results into accidents;</li> <li>Requested High mast lights , cases of robbery are increasing;</li> <li>Requested youth outdoor gym</li> <li>Streetlights for new housing projects;</li> <li>Retaining wall in Merlewood VD;</li> <li>Job opportunities for young people</li> <li>Sportsfield to be maintained and security guard to be provided at night.</li> </ul> <p><b>WARD 18</b> No representative from Ward 18</p> <p><b>WARD 20</b></p> <ul style="list-style-type: none"> <li>Requested job opportunities for youth;</li> <li>Water drainage systems as a result</li> <li>Concern was voiced on the high-level crime in new Port Shepstone Taxi Rank;</li> <li>Access roads need to be maintained</li> <li>Municipality to provide funding to SMME's.</li> <li>Sithole uphill road to be rehabilitated</li> <li>Request for rehabilitation of Mbotsha, Ngangele, Bhumudane Bridge;</li> <li>High mast was also requested in areas where there is a high crime rate</li> <li>Concrete was requested at Mbotsha and Ngwane access roads;</li> <li>speed humps in D1014 road;</li> <li>Storm water pipes and V-drains in access roads;</li> </ul>	<p>the matter however failed hence they were requesting for the municipal's intervention;</p> <ul style="list-style-type: none"> <li>Municipal Leadership was requested to work closely with the community since there were many issues that needed to be addressed; and</li> <li>Further requested that feedback be provided on the failed funding applications.</li> </ul> <p>NAME: Mr I Shaiks</p> <ul style="list-style-type: none"> <li>Requested for the maintenance of roads within the Ward;</li> <li>It was noted that Ward Committees had requested for a shelter to cater victims of gender-based violence and were turned down however when a white person requested to utilise the same venue for their business, they were granted permission. The community noted the inconsistency hence they were requesting for the municipal's intervention since the shelter will be for a worthy course;</li> <li>7 December a black woman was</li> </ul>

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					<ul style="list-style-type: none"> <li>Sportsfield was also requested;</li> <li>Water challenge in the community was also a concern.</li> </ul>	<p>granted a permission to operate in the Hibberdene Beach Kiosk, however, was later removed and the community believe that it was racial motivated;</p> <ul style="list-style-type: none"> <li>Request for a Jojo tank in Stick Farm. Also, it was noted that there was a potential donor for land hence a request was made for a borehole; and</li> <li>A standpipe was requested to cater for Wood Grange school</li> </ul> <p><b>Ward 14</b> NAME:Mr Siphon Madlala</p> <ul style="list-style-type: none"> <li>Appreciated the construction of the road and the steep hill in Louisiana. Also, conveyed gratitude for the VIP Toilets;</li> <li>Requested for type 1 infills;</li> <li>Request for pothole repairs on the school to Marisstella school;</li> <li>Community has negotiated with private landowners who granted them permission to utilise the land hence they were requesting for houses;</li> </ul>

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						<ul style="list-style-type: none"> <li>Schedule for water tankers relief to be distributed to the community and requested for a borehole. Also, suggested that Rosemill be engaged to assist with the construction of borehole in the area to ensure enough water supply; and</li> <li>Request for a community hall to cater for Louisiana and Greenside areas.  NAME: Mr Nkosivumile Ndadana (Louisiana)</li> <li>Progress was sought regarding the Louisiana High school request;</li> <li>Urgent attention to be given to the Ablution Facilities since they were health risks to the community; and</li> <li>Expedition of handing over of title deeds.</li> </ul> <p><b>Ward 15</b> NAME: Mr Mziwedlozi Khangela</p> <ul style="list-style-type: none"> <li>Requested for a community hall; and</li> <li>Request for a concrete road in Cabhane and Mhlangamkhulu area.</li> </ul>

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						<p>NAME: Ms Lungile Hlengwa</p> <ul style="list-style-type: none"> <li>Concerns were voiced regarding the lack of water supply and conveyed gratitude to the Ward Councillor for his intervention;</li> <li>Requested for quarry to be put on the road;</li> <li>Encourage for the ongoing engagements with private landowners to be intensified to cater for Majenta area;</li> <li>It was emphasised that government entities must appoint qualified or capable service providers to avoid delays in projects; and</li> <li>Suggestion to install a water pump next to Mazibuko residents to sort out water issues in the area.</li> </ul>

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Izimbozo (Cluster 1B)		03	15	182	<p><b>WARD 35</b></p> <p><b>NAME: Mr Hlongandlebe</b></p> <ul style="list-style-type: none"> <li>• Access road to be refurbished and</li> <li>• Fixing of old boreholes</li> </ul> <p><b>NAME: Dion Mbatha</b></p> <ul style="list-style-type: none"> <li>• Boreholes in Schools;</li> <li>• RDP houses;</li> <li>• Quarry on access roads;</li> <li>• Job opportunities</li> </ul>	<p>Wednesday, 05 April 2023</p> <p>Mayor of Ray Nkonyeni and the District Mayor addressed the public on how the municipality functions, noted relevant complains to be addressed</p>

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Izimbizo (Cluster 1B)					<ul style="list-style-type: none"> <li>People older than 35 be considered for funding opportunities</li> </ul> <p><b>NAME: Mr Xolani Mbatha</b></p> <ul style="list-style-type: none"> <li>Maintenance of Vuka Sports field at Ndunu</li> <li>Security personnel in all halls</li> <li>Training on SMMEs</li> </ul> <p><b>WARD 36</b></p> <p><b>NAME: Thandiwe Gasa</b></p> <ul style="list-style-type: none"> <li>Requested job opportunities for youth;</li> <li>Taxi Rank at EZingoleni</li> </ul> <p><b>NAME: Mlondi Ntozakhe</b></p> <ul style="list-style-type: none"> <li>Request High school in Ward 36;</li> <li>And Safety and Security measures be put in place in the community</li> </ul> <p><b>NAME: Goodstuff Skhosana,</b> requested;</p> <ul style="list-style-type: none"> <li>Information regarding Mayoral Imbizo be communicated not only on Social Media pages;</li> </ul>	<p>Wednesday, 05 April 2023</p> <p>Mayor of Ray Nkonyeni and the District Mayor addressed the public on how the municipality functions, noted relevant complains to be addressed</p>
Izimbizo (Cluster 1C)		07	11	195	<ul style="list-style-type: none"> <li>Information regarding Mayoral Imbizo be communicated not only on Social Media pages;</li> </ul>	<p>Wednesday, 12 April 2023</p> <p>Mayor of Ray Nkonyeni and the District Mayor addressed the public on how the municipality</p>



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Izimbozo (Cluster 1A)		Register not available.	Register not available.	Register not available.	<ul style="list-style-type: none"> <li>Job opportunities be made available during the construction of Intermodal Facility.</li> <li>Construction of sport fields around the area</li> </ul> <p><b>WARD 34</b></p> <p><b>NAME: Mr Bheki Mnyandu requested</b></p> <ul style="list-style-type: none"> <li>Job opportunities at the Municipality</li> </ul> <p><b>NAME: Khethiwe Zimdela requested</b></p> <ul style="list-style-type: none"> <li>Library;</li> <li>EPWP employment;</li> <li>Skills centre</li> </ul> <p><b>NAME: Mr Advocate Ngcobo requested</b></p> <ul style="list-style-type: none"> <li>Funding on cooperatives</li> <li>Meeting with NPC</li> <li>Youth development</li> </ul> <p><b>NAME: Zandile Mzobe requested</b></p> <ul style="list-style-type: none"> <li>Sports filed;</li> <li>Refurbishment of Road from</li> </ul>	functions, noted relevant complains to be addressed
Izimbozo (Cluster 02)		11	07	219		Wednesday, 12 April 2023 Mayor of Ray Nkonyeni and the District Mayor addressed the public on how the municipality functions, noted relevant complains to be addressed

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Izimbi izo (Cluster 2)					<p>eMaromeni to Sneke</p> <p><b>WARD 31</b> <b>NAME: Bongani Shezi</b></p> <ul style="list-style-type: none"> <li>• Requested RDP Houses;</li> <li>• Speed humps at EZingoleni</li> <li>• High master lights</li> <li>• Municipal offices to be rebuilt</li> <li>• Skills Development Centre</li> <li>• Crime prevention around the area</li> </ul> <p><b>NAME: Linda Mtshali</b> Requested;</p> <ul style="list-style-type: none"> <li>• Leadership training funding be directed to skills development trainings;</li> <li>• And grants pertaining to poverty alleviation be provided to Communities</li> </ul>	<p>Friday, 14 April 2023</p> <p>Mayor of Ray Nkonyeni and the District Mayor addressed the public on how the municipality functions, noted relevant complains to be addressed.</p> <p>Friday, 14 April 2023</p> <p>Mayor of Ray Nkonyeni and the District Mayor addressed the public on how the municipality functions, noted</p>

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Izimbizo (Cluster 2)					<p><b>WARD 07</b></p> <p><b>NAME: Mzwakhe Shusha Requested;</b></p> <ul style="list-style-type: none"> <li>Water provision by water tanker and road to be graded.</li> </ul> <p><b>NAME: Qedile Sikobi Requested</b></p> <ul style="list-style-type: none"> <li>Qobhe and Mangeleka access roads were damaged by flood, a request for grader to fix the road was made.</li> <li>In Gcilima, borehole was provided but there was no water on the borehole, a request for water provision was made.</li> </ul> <p><b>NAME: Induna yakoMkhulu Requested</b></p> <ul style="list-style-type: none"> <li>A cry for none provisions of water for a long period in time was voiced.</li> <li>Road rehabilitation and access road to be prioritised.</li> <li>Ngwemabala community need a community hall.</li> <li>Sportsfield project initiated by Inkosi was not completed, a request was made for the Municipality to</li> </ul>	<p>relevant complains to be addressed.</p> <p>Friday, 14 April 2023</p> <p>Mayor of Ray Nkonyeni and the District Mayor addressed the public on how the municipality functions, noted relevant complains to be addressed.</p>
Izimbizo (Cluster 2)						

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Izimbizo (Cluster 2)					<p>assist in completion of the project. Leadership was also requested to conduct a site visit to see development</p> <p><b>WARD 08</b>  <b>NAME: Alison Shusha</b></p> <ul style="list-style-type: none"> <li>Commended on the provision of toilets to households and road access road rehabilitation.</li> <li>A request for electrification was made in 2009 but nothing has been done.</li> <li>Broken taps by the Contractors were reported.</li> </ul> <p><b>NAME: Mr Nodada Stated;</b></p> <ul style="list-style-type: none"> <li>In November 2022, water pipes were vandalised by the Contractor.</li> <li>In KwaNcane area, there was no water.</li> <li>Gratitude was extended for electrification in kwaBhazabhaza as well as road rehabilitation.</li> </ul> <p><b>NAME: Mthobisi Dlamini</b></p> <ul style="list-style-type: none"> <li>Water challenge at KwaDumezulu was reported.</li> <li>Vula vala was not in place.</li> </ul>	<p>Friday, 14 April 2023</p> <p>Mayor of Ray Nkonyeni and the District Mayor addressed the public on how the municipality functions, noted relevant complains to be addressed.</p> <p>Friday, 14 April 2023</p> <p>Mayor of Ray Nkonyeni and the District Mayor addressed the public on how the municipality functions, noted relevant complains to be addressed.</p>

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Nature and purpose of meeting	Date of event	Number of Participating Municipal Cllrs	Number of participating Municipal Administrators	Number of Community members attending	Issue addressed (Yes/No)	Date and Manner of feedback given to community
Izimbizo (Cluster 03)		10	09	179	<ul style="list-style-type: none"> <li>No provision of water tankers to households.</li> <li>Borehole had a low pressure.</li> </ul> <p><b>WARD 09</b> <b>NAME: Lebona Msani</b></p> <ul style="list-style-type: none"> <li>Appreciated Cllr Mngomezulu for rehabilitation of Khushini concrete road since it's a busy road.</li> <li>Progress on the rehabilitation of Thokotha Bridge to be fast tracked.</li> <li>A concern was voiced on water challenges, and that water tanker are provided whilst some people are still at work.</li> <li>Allegations were made that some employees charge people for provision of water.</li> </ul> <p><b>NAME: Mr Ngcungama</b></p> <ul style="list-style-type: none"> <li>Demarcation process be prioritized.</li> <li>Learners and Drivers Licence programme was appreciated.</li> <li>A request for the Local Clinic to be upgraded.</li> <li>Corruption to be addressed in Ugu District Municipality.</li> </ul> <p><b>NAME: Mr Ngcungama Requested</b></p>	

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Izimbizo (cluster 3)					<ul style="list-style-type: none"> <li>A borehole in Thokotha area since Ntabendala was not easily accessible.</li> <li>Thokotha Bridge rehabilitation.</li> </ul> <p><b>Ward 29</b> <b>NAME: Zoleka Ngcongco</b></p> <p>Appreciation for Mbecuka Concrete Road was conveyed.</p> <ul style="list-style-type: none"> <li>Msunduzu pedestrian bridge overflows on heavy rainy days, two people have lost their lives in the vicinity.</li> <li>All access roads need to be resurfaced.</li> <li>There was no water on the borehole in Jericko area.</li> <li>Water tanker are not covering all areas when providing water in the Ward.</li> <li>There were three High and 6 Primary Schools in the area, therefore a request for a Library in the Ward was made.</li> </ul>	Monday, 17 April 2023
Izimbizo (Cluster3)					<p><b>NAME: Scelo Xolo</b> <b>Commented;</b></p> <ul style="list-style-type: none"> <li>Road D1091 state needed intervention since there were 2 Clinics and a school in the area.</li> <li>Mabhondela Sports field to be upgraded to Combo Court.</li> </ul>	Monday, 17 April 2023

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Izimbizo (Cluster3)					<ul style="list-style-type: none"> <li>Grading programme of 100 meters was not enough since the Ward was wide.</li> <li>No water since 2012, water pipeline system needs to be upgraded since there was no water in tapes.</li> <li>No water in the following areas: Thelawayeka, Lamont, Mankuntshana and Mvutshini, hence water tankers was needed.</li> <li>Road tarring – P520 &amp; D1091 and road gravelling of D337.</li> <li>High mast in Jericho – Mcushwa High and Isikhuthali Primary School was requested.</li> </ul>	<p>Monday, 17 April 2023</p> <p>Mayor of Ray Nkonyeni and the District Mayor addressed the public on how the municipality functions, noted relevant complains to be addressed</p>
Izimbizo (Cluster3)						

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Izimbizo (Cluster 05)		10	12	274	<p><b>Ward 01</b> <b>NAME: Ben</b></p> <ul style="list-style-type: none"> <li>● Construction of Housing projects (Mbewane – Ncukeni) was delaying .</li> <li>● kwaLatshoda housing – nothing has been done.</li> <li>● 100 meters for road / pothole repairs was not enough.</li> <li>● Requested a high mast in Gusheni.</li> <li>● Disco hall to be demolished and be reconstructed.</li> <li>● Thokazi to be renovated.</li> </ul> <p><b>NAME: Thulani Mchunu</b></p> <ul style="list-style-type: none"> <li>● Reported to the Municipality that people were building houses in the reserved sites for RDP houses but no action was taken.</li> <li>● In Gcilima, borehole was provided but there was no water on the borehole, a request for water provision was made.</li> </ul> <p><b>NAME: Induna yakoMkhulu</b></p> <ul style="list-style-type: none"> <li>● A cry for none provision of water for a long period in time was voiced.</li> <li>● Road rehabilitation and access road to be prioritised.</li> <li>● Ngwemabala community need a community hall.</li> </ul>	<p>Monday, 17 April 2023</p> <p>Mayor of Ray Nkonyeni and the District Mayor addressed the public on how the municipality functions, noted relevant complains to be addressed</p> <p>Monday, 17 April 2023</p> <p>Mayor of Ray Nkonyeni and the District Mayor addressed the public on how the municipality functions, noted relevant complains to be addressed</p>



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Izimbizo(Cluster 5)					<ul style="list-style-type: none"> <li>● Sportsfield project initiated by Inkosi was not completed, a request was made for the Municipality to assist in completion of the project. Leadership was also requested to conduct a site visit to see development.</li> </ul> <p><b>Ward 02 – No questions / comments were raised.</b></p> <p><b>Ward 06</b></p> <p><b>NAME: Qhayikazi</b></p> <ul style="list-style-type: none"> <li>● Overgrown trees on vacant plots and abandoned houses to be attended to, since criminals uses those houses for their activities.</li> <li>● Request was made for sport field.</li> </ul> <p><b>Ward 10</b></p> <p><b>NAME: Sbonelo Mbokazi</b></p> <ul style="list-style-type: none"> <li>● Commended for localising internship programmes.</li> <li>● Roads in Ward 10 were at bad state.</li> <li>● Mgungundlovu – Nkanyezi Roads update was required.</li> <li>● Concern on long queues at Home Affairs, a suggestion was made that there should be Satellite in Margate, or Home Affairs services be</li> </ul>	<p>Wednesday, 05 April 2023</p> <p>Mayor of Ray Nkonyeni and the District Mayor addressed the public on how the municipality functions, noted relevant complains to be addressed</p>
Izimbizo(Cluster 5)					<ul style="list-style-type: none"> <li>● Concern on long queues at Home Affairs, a suggestion was made that there should be Satellite in Margate, or Home Affairs services be</li> </ul>	

Public Meetings Held:						
Nature and purpose of meeting	Date of event	Number of Participating Municipal Cllrs	Number of participating Municipal Administrators	Number of Community members attending	Issue addressed (Yes/No)	Date and Manner of feedback given to community
Izimbi izo (Cluster5)		09	11	209	<p>offered at MPCC in Ward 1 next to Nombuso.</p> <p><b>NAME: Nkosingphile</b></p> <ul style="list-style-type: none"> <li>● Sukuma Sakhe - Operation Mbo was unfunctional.</li> <li>● Roads are not maintained.</li> <li>● A concern on vacancies that were advertised in June 2022 and not filled up to date.</li> </ul> <p><b>Name not mentioned Stated;</b></p> <ul style="list-style-type: none"> <li>● Mandla Mzelemu Road need to be refurbished.</li> <li>● In Ward 1, 10,11, there was water improvement, but meetings no longer sit and had impacted negatively.</li> </ul> <p><b>Ward 11</b> <b>NAME:Nelisiwe</b></p> <ul style="list-style-type: none"> <li>● Request for Library.</li> <li>● California and Mandla road need refurbishment.</li> <li>● Water challenges</li> </ul> <p><b>NAME:Neliswe Ndovela stated;</b></p> <ul style="list-style-type: none"> <li>● No local hall in Thundeza.</li> <li>● Komgangatho Hall need refurbishment.</li> <li>● Breamer sportsground need to be refurbished.</li> </ul>	<p>Wednesday, 05 April 2023</p> <p>Mayor of Ray Nkonyeni and the District Mayor addressed the public on how the municipality functions, noted relevant complains to be addressed</p> <p>Wednesday, 05 April 2023</p> <p>Mayor of Ray Nkonyeni and the District Mayor addressed the public on how the municipality functions, noted relevant complains to be addressed</p>
Izimbi izo						

Public Meetings Held:						
Nature and purpose of meeting	Date of event	Number of Participating Municipal Cllrs	Number of participating Municipal Administrators	Number of Community members attending	Issue addressed (Yes/No)	Date and Manner of feedback given to community
(Cluster06)					<p><b>NAME: Mr Ngcungama Requested</b></p> <p>A borehole in Thokotha area since Ntabendala was no easily accessible.</p> <p>Thokotha Bridge rehabilitation. <b>Ward 19</b></p> <p><b>Name not mentioned;</b></p> <ul style="list-style-type: none"> <li>● Water Meter reading not accurate.</li> <li>● Requested that an audit be conducted to verify water consumption per household</li> </ul> <p><b>WARD 21</b></p> <p><b>NAME: Sboniso Ndwane requested</b></p> <ul style="list-style-type: none"> <li>● Reconstruction of Ngolela Road;</li> <li>● RDP House for a disabled person at Ngolela (name of the person was not mentioned)</li> </ul>	<p>Wednesday, 05 April 2023</p> <p>Mayor of Ray Nkonyeni and the District Mayor addressed the public on how the municipality functions, noted relevant complains to be addressed</p>
Izimbizo (Cluster6)						

Public Meetings Held:						
Nature and purpose of meeting	Date of event	Number of Participating Municipal Cllrs	Number of participating Municipal Administrators	Number of Community members attending	Issue addressed (Yes/No)	Date and Manner of feedback given to community
Izimbo (Cluster 6)		10	12	223	<ul style="list-style-type: none"> <li>● Road to Nobamba, Nkonka and Sister Johns needed to be maintained</li> <li>● Requested Tar Road for Mbambayi Main Road;</li> <li>● Additional RDP Houses at Ward 21;</li> <li>● Highmaster Lights ;</li> <li>● More concrete roads in the Ward;</li> <li>● Maintenance of drainage systems to avoid roads being damaged;</li> <li>● Graveling of Road to Nkonka Sportsfield and ;</li> <li>● Construction of bridge at Mdlazi</li> </ul> <p><b>NAME: Ms Zinhle Ndimeni Requested</b></p> <ul style="list-style-type: none"> <li>● Highlighted the issue of crime at schools.</li> <li>● Requested KwaVeshe Community Hall to be maintained</li> </ul> <p><b>WARD 22</b></p> <p><b>NAME: Mr Sandile Dladla requested</b></p> <ul style="list-style-type: none"> <li>● Job opportunities in the construction of the Intermodal Facility</li> </ul> <p><b>NAME: MS Nosipho Mbutho requested</b></p> <ul style="list-style-type: none"> <li>● Maintenance of ablution facilities at Maveshe Hall and Security personnel;</li> <li>● Concrete access road in all VDs;</li> <li>● Recreational centre;</li> </ul>	<p>Thursday, 13 April 2023</p> <p>Mayor of Ray Nkonyeni and the District Mayor addressed the public on how the municipality functions, noted relevant complains to be addressed</p> <p>THURSDAY, 13 April 2023</p> <p>Mayor of Ray Nkonyeni and the District Mayor addressed the public on how the municipality functions, noted relevant complains to be addressed</p>

Public Meetings Held:						
Nature and purpose of meeting	Date of event	Number of Participating Municipal Cllrs	Number of participating Municipal Administrators	Number of Community members attending	Issue addressed (Yes/No)	Date and Manner of feedback given to community
Izimbizo (Cluster 07)					<ul style="list-style-type: none"> <li>● Maintenance of sports fields and</li> <li>● Maintenance of Madakane Community Hall</li> </ul> <p><b>NAME: Ms Nokubonga Shabane</b></p> <ul style="list-style-type: none"> <li>● Requested a Creche at Newtown area</li> </ul> <p><b>WARD 23</b></p> <p><b>A representative from Ward 23 requested for the following services</b></p> <ul style="list-style-type: none"> <li>● Fixing of potholes at Unopuponi street;</li> <li>● Construction of bridge and installation of streetlights near Sidumuile School and;</li> <li>● RDP Houses</li> </ul> <p><b>NAME: Mr Enoch Memela</b></p> <ul style="list-style-type: none"> <li>● Requested maintenance of Mchunu, Shozi, Ntuli and Mfeka Roads;</li> <li>● High master lights and;</li> <li>● RDP Houses;</li> </ul> <p><b>WARD 24</b></p> <p><b>NAME: Mr Thulani Nzimande requested</b></p> <ul style="list-style-type: none"> <li>● Maintenance of ERingini road to Jingela;</li> <li>● Borehole at Mtshinga area</li> </ul> <p><b>NAME: Mr Xolani Ndovela</b></p>	<p>Thursday, 13 April 2023</p> <p>Mayor of Ray Nkonyeni and the District Mayor addressed the public on how the municipality functions, noted relevant complains to be addressed</p>

Public Meetings Held:						
Nature and purpose of meeting	Date of event	Number of Participating Municipal Cllrs	Number of participating Municipal Administrators	Number of Community members attending	Issue addressed (Yes/No)	Date and Manner of feedback given to community
Izimbiz(Cluster7)					<ul style="list-style-type: none"> <li>● Maintenance of MPCC (security room, toilets and unlock computer room)</li> <li>● Maintenance of all sport fields;</li> <li>● Highmaster light at Ndlavini/Mbuqu area;</li> <li>● Skills Centre at Nyandezulu area and Job opportunities for Youth in particular</li> </ul> <p><b>NAME: Mr Mshana requested</b></p> <ul style="list-style-type: none"> <li>● Employment of Ward Committees and Disabled people;</li> <li>● Disability Help Desk at the Municipality</li> <li>● RDP houses</li> </ul>	
Izimbizo (Cluster 7)					<p><b>Ward 04:</b></p> <p><b>NAME: Ms Noluthando Shinga</b></p> <ul style="list-style-type: none"> <li>● Requested to be included on the Drivers licence Programme.</li> </ul>	<p>Wednesday, 19 April 2023</p> <p>Mayor of Ray Nkonyeni and the District Mayor addressed the public on how the municipality functions, noted relevant complains to be addressed</p>

Public Meetings Held:						
Nature and purpose of meeting	Date of event	Number of Participating Municipal Cllrs	Number of participating Municipal Administrators	Number of Community members attending	Issue addressed (Yes/No)	Date and Manner of feedback given to community
					<p><b>NAME: Ms Neli Gumede</b></p> <ul style="list-style-type: none"> <li>Requested criteria of receiving RDP houses;</li> <li>Requested grading of the road towards Oshabeni Tribal Authority; and</li> <li>Assistance in terms of grading road be provided to the bereaved families.</li> </ul> <p><b>NAME: Ms Mantombi Nyawose</b></p> <ul style="list-style-type: none"> <li>Reported abuse and negligence of EPWP workers.</li> </ul> <p><b>Ward 17</b> <b>NAME: Ms Duduzile Gwala requested</b></p> <ul style="list-style-type: none"> <li>Poor housing sites at Hlanganani;</li> <li>Quarrying of roads at Hlanganani;</li> <li>Improve water and sanitation due to bursting of drains;</li> <li>Littering at Mkholombe area;</li> <li>Scholar Patrol/Lollipop at Hlanganani.</li> </ul> <p><b>NAME: Mr Posswell Khusi</b></p> <ul style="list-style-type: none"> <li>Appreciated installation of streetlights;</li> <li>Appreciated retaining walls; however, water spillage into the rooms was still the issue;</li> <li>Renting of RDP houses was reported;</li> <li>Request EPWP assistance on tree removal from Merlewood Road to Hlanganani;</li> </ul>	<p>19 APRIL 2023, Mayor of Ray Nkonyeni and the District Mayor addressed the public on how the municipality functions, noted relevant complains to be addressed</p> <p>19 APRIL 2023,</p>

Public Meetings Held:						
Nature and purpose of meeting	Date of event	Number of Participating Municipal Cllrs	Number of participating Municipal Administrators	Number of Community members attending	Issue addressed (Yes/No)	Date and Manner of feedback given to community
					<ul style="list-style-type: none"> <li>Waste/sewerage spill was also reported.</li> </ul> <p><b>NAME: Ms Tozi Gwala</b></p> <ul style="list-style-type: none"> <li>They did not receive RDP houses due to demarcation issues;</li> <li>No services received since they fall in Ward 17;</li> <li>They do not know their Councillor and never benefited on local employment;</li> <li>Requested construction of Mganka pedestrian bridge;</li> <li>Requested renovation of KwaNgwabe Hall;</li> <li>Water challenge at KwaNgwabe VD was reported;</li> <li>Requested extension of quarry at KwaNgwabe VD; and</li> <li>Requested to be included on the grader programme.</li> </ul> <p><b>Ward 18</b></p> <p><b>No mention of name</b></p> <ul style="list-style-type: none"> <li>Request was made on refuse collection;</li> <li>Concern voiced on increment of tariffs.</li> </ul> <p><b>Ward 20:</b></p> <p><b>NAME: Mr Gumede requested the following:</b></p> <ul style="list-style-type: none"> <li>Increase of water tankers in the area;</li> <li>standpipes;</li> <li>Upgrade of access roads at Mkholombe; and</li> </ul>	Mayor of Ray Nkonyeni and the District Mayor addressed the public on how the municipality functions, noted relevant complains to be addressed



Public Meetings Held:						
Nature and purpose of meeting	Date of event	Number of Participating Municipal Cllrs	Number of participating Municipal Administrators	Number of Community members attending	Issue addressed (Yes/No)	Date and Manner of feedback given to community
					<ul style="list-style-type: none"> <li>● Robots.</li> </ul> <p><b>NAME: Mr Simphiwe Sima</b></p> <ul style="list-style-type: none"> <li>● Appreciated presentation of budget allocation for both municipalities;</li> <li>● Request was made on the monitoring of Boboyi to Madakane water pipes;</li> <li>● Bursting of Ward 20 road was reported;</li> <li>● Concern was voiced on change of meters since people were still owing;</li> <li>● Extension of Mbotsha Hall; and</li> <li>● Progress on Gatsheni and Bhomo bridge was requested.</li> </ul> <p><b>WARD 13</b> <b>NAME: Mr Musa Majola</b></p> <ul style="list-style-type: none"> <li>● Water shortages in the Allerton store have been a problem for the longest time.</li> <li>● The people of Allerton Store have a</li> </ul>	

Public Meetings Held:						
Nature and purpose of meeting	Date of event	Number of Participating Municipal Cllrs	Number of participating Municipal Administrators	Number of Community members attending	Issue addressed (Yes/No)	Date and Manner of feedback given to community
					<p>problem with farmer or a privately owned land. They are requesting The Mayor or Speaker to intervene</p> <p><b>NAME: Mr Ngcobo</b></p> <ul style="list-style-type: none"> <li>The ugu district officials should adhere to the community requests regarding water services.</li> <li>Road P72 need to be upgraded and its should be budgeted for</li> </ul> <p><b>WARD14</b></p> <p><b>NAME: Name was not provided</b></p> <ul style="list-style-type: none"> <li>The transformers in Louisiana to be fixed as it has been over two (2)months without electricity.</li> </ul> <p>Requesting the Cementry in Louisiana</p> <p><b>NAME: Siphu Luthuli</b></p> <ul style="list-style-type: none"> <li>Appreciating building of the bridge in Santombe</li> <li>Requesting of Ward Committee Stipend increment</li> <li>Requesting stormwater in Greenside near eMobeni</li> <li>Requesting Network poles in Kwamadlala</li> </ul> <p><b>NAME: Wanda Shinga</b></p> <ul style="list-style-type: none"> <li>➤ Requesting Phase2 of housing settlement for ward 14 to commence</li> </ul>	

Public Meetings Held:						
Nature and purpose of meeting	Date of event	Number of Participating Municipal Cllrs	Number of participating Municipal Administrators	Number of Community members attending	Issue addressed (Yes/No)	Date and Manner of feedback given to community
					<ul style="list-style-type: none"> <li>➤ Unwillingness of Ugu District employees to work for the community.</li> <li>➤ Requesting more boreholes</li> </ul> <p><b>WARD15</b>  <b>NAME: Mr Buyane</b>            It has been over three years without water in whole of Ward 15</p> <ul style="list-style-type: none"> <li>➤ The leaders should account for the budgeted amount to the community.</li> </ul> <p><b>NAME: Not Named</b></p> <ul style="list-style-type: none"> <li>➤ Appreciating the borehole installation that uses solar but unfortunately it no longer working the uGu is requested to intervene.</li> <li>➤ Requesting tree trimming in Magog</li> </ul> <p><b>Name: Miss Cele</b></p> <ul style="list-style-type: none"> <li>➤ Requesting the donation for NGO for skills development.</li> </ul> <p><b>WARD 16</b>  <b>NAME: Lesly Spencer</b></p> <ul style="list-style-type: none"> <li>➤ Concerning the budgeted projects, the refuse removal is not prioritized. And the money should be spent on service delivery.</li> </ul>	

Public Meetings Held:						
Nature and purpose of meeting	Date of event	Number of Participating Municipal Cllrs	Number of participating Municipal Administrators	Number of Community members attending	Issue addressed (Yes/No)	Date and Manner of feedback given to community

## 2.6 IDP Participation and Alignment

IDP Participation and alignment criteria	Yes/No
Does the municipality have impact, outcome, input, output indicators?	Yes
Does the IDP have priorities, objectives, KPIs, development strategies?	Yes
Does the IDP have multi – year targets?	Yes
Are the above aligned and can they calculate into a score?	Yes
Does the budget align directly to the KPIs in the strategic plan?	Yes
Do the IDP KPIs align to the Section 57 Managers?	Yes
Do the IDP KPIs lead to functional area KPIs as per the SDBIP?	Yes
Do the IDP KPIs align with the provincial KPIs on the 12 outcomes?	Yes
Were the indicators communicated to the public?	Yes
Were the four quarter reports submitted within stipulated time frames?	Yes

## Component D: Corporate Governance

## 2.7 Risk Management

No institution can function in a risk-free environment and in fulfilling its mandate, local government is also vulnerable to risks while being ripe for opportunities at the same time. Many of the functions within the scope of local government mandate pose substantial risk exposures but which cannot be avoided in the interest of service delivery. Risk management is a valuable management tool which increases an institution's prospects of success through minimising negative outcomes and optimising opportunities. The management of risk is an essential part of corporate governance within the municipality. The Accounting Officer is responsible for managing the administration of the municipality, and for this purpose takes all reasonable steps to ensure the municipality has and maintains effective, transparent systems of risk management and internal control.

Responsibility for the risk management resides mostly with line management in all departments however, every employee is responsible for the management of risks within their respective business unit. The Internal Audit and Risk Management Unit has played its role by conducting risk assessment workshops with management with an aim of ensuring that management understands the importance of managing risks for the benefit of the Municipality. The Municipality has put in place mechanisms to identify and assess risks and developed specific mitigating strategies, plans of action. All risks are recorded in the risk register and those that are rated as critical are continuously monitored and reviewed monthly with management by the Internal Audit and Risk Management Unit. Council has adopted a Risk Management Policy, Risk Management Strategy and a Risk Management Framework that enables management to proactively identify and respond appropriately to all significant risks that could have a negative impact on the achievement of municipal goals and strategic objectives. It is expected that the risk management processes become embedded into the municipality's systems and processes, ensuring that the responses to risks remain current and dynamic.

The Municipality has a Risk Management Committee which was established to assist the Accounting Officer in fulfilling his risk management and control responsibilities in accordance with prescribed legislation and corporate governance principles. The committee's role is to guide the development and implementation of Risk Management processes and monitor the reporting of risk by management with particular emphasis on significant risks or exposures and the appropriateness of the steps management has taken to reduce the risk to an acceptable level.

**The top 5 Residual Risks facing the municipality are as follows:**

1. Infrastructure maintenance [ Poor repairs & maintenance of infrastructure: Roads, Electricity & Buildings]
2. Theft/vandalism of electrical infrastructure.
3. Illegal developments due to delays in approving building plans
4. Inadequate Landfill airspace.
5. Illegal Dumping.

**2.8 Anti-Fraud and Corruption**

**Fraud and Corruption Strategy**

It is the policy of the Municipality that fraud, corruption, maladministration, or any other dishonest activities of a similar nature will not be tolerated. Council has an approved Anti-Fraud and Corruption Strategy/Policy which is reviewed annually to ensure that it is in line with current norms and standards. The strategy includes the Anti-Fraud and Corruption Prevention Initiatives as well as Response Strategies. The strategy/policy has been developed to express the commitment of the Municipality in its cause to fight the scourge of fraud and corruption. This policy applies to all employees, councillors, stakeholders, contractors, vendors/suppliers, and any other party doing business with the Municipality. It provides guidelines on how to respond should instances of fraud and corruption be identified.

The municipality has an Anti-Fraud and Corruption Committee which was established for the purpose of overseeing the Municipality's approach to fraud prevention, fraud detection strategies and its response to fraud and corruption incidents reported by employees, councillors, and other external parties.

Identified cases can be reported via the Office of the Municipal Manager or directly to the Internal Audit & Risk Management Unit. The contact details thereof are available on the municipal website. Anti-Fraud and Ethics Awareness Campaigns for management, Officials, Councillors and Community members are also conducted in collaboration with the Office of the Premier. The numbers for other external reporting structures (i.e., the National Anti-Corruption Hotline) are promoted and shared during these engagements. Whistle blowers that wish to remain anonymous may report incidents to the Public Service Commission. The Public Service Commission is an independent and impartial body created by the

Constitution to enhance excellence in governance within the public service by promoting a professional and ethical environment and adding value to a public administration that is accountable, equitable, efficient, effective, corrupt-free and responsive to the needs of the people of South Africa.

Disclosures may be made anonymously by using any of the following methods:

E-mail:

- Publicservicecorruptionhotline.org.za
- Integrity@publicservicecorruptionhotline.org.za

“Walk in” disclosures may be made at any of the Public Service Commission offices.

SMS facilities: **39772**

### **Anti-Fraud and Anti-Corruption Prevention Initiatives**

The primary objective of these initiatives is to protect the municipality, its assets, stakeholders, and its employees. The Ray Nkonyeni Municipality realises that, to achieve the objective of ensuring the provision of services to the community in a sustainable way, as required by the Constitution of the Republic of South Africa, it is important to take necessary steps to prevent fraudulent or irregular use of Municipal assets.

The Anti-Fraud and Corruption strategy clearly indicates that to prevent fraud and corruption the municipality should ensure that:

- Councillors and employees sign their code of conduct;
- It has an ethics policy;
- A fraud risk assessment is conducted annually;
- It has a whistle blowers hotline (its own or outsourced)

### **Anti-Fraud and Anti-Corruption Response Strategies**

The Anti-Fraud and Corruption Response Strategies set out clear, prompt, and appropriate action that must be taken when fraud is suspected. The preparation of these response strategies increases the likelihood that the crises will be managed effectively, ensuring minimum loss and appropriate outcomes. These response strategies are applicable across all sectors of the Ray Nkonyeni Municipality (RNM) and adherence thereto is vital to ensure effective management of fraud incidents.

The priority of the Council, Anti-Fraud and Corruption Committee and Top Management is to ensure that there is effective response to all reports of fraud or irregularity and those employees and third parties who are guilty of fraud are dealt with appropriately. A zero-tolerance approach and effective response to all incidents of fraud will send the appropriate message to the perpetrators and ultimately lead to a reduction of fraud within the Ray Nkonyeni Municipal region.

## 2.9 Supply Chain Management

### **Overview Supply Chain Management:**

In terms of Section 6(2) and section 6(3) of the Supply Chain Management Regulations it is stipulated that for the purpose of such oversight, the Accounting Officer must submit a report on the implementation of the Supply Chain Management to the Mayor within 30 days of each financial year.

### **General Reporting**

Sections 74(1) and 104(1) (b) of the Municipal Finance Management Act (MFMA) prescribe the following regarding general reporting obligations:

*“The accounting officer of a municipality [and municipal entity] must submit to the National Treasury, the Provincial Treasury, the Department for Local Government in the province or the Auditor-General such information, returns, documents, explanations and motivations as may be prescribed or as may be required.”*

In accordance with MFMA Circular No. 34 all awards above R100 000 were reported on their website and was done on a monthly basis.

### **Supply Chain Management Processes**

The implementation of the day-to-day procurement for goods and services below R30 000.00 was done on the MUNSOFT system. Ray Nkonyeni Municipality is using the mentioned financial management system. Reports listing all transactions and information for all procurement under R30 000.00 are compiled monthly by the SCM officials.

This program will keep track of the full process from the planning stage right through to the close out report of projects and service delivery, at any stage we will be able to track the progress and all source documents, calculations, cross references and reports will be electronically available.



Between R30 000.00 and R200 000.00 a mini tender process is followed, and a full Tender Register reflecting all relevant information is kept at the SCM Unit in Margate. Due to the lack of suitable venue and facilities, as well as the volume of this process, it is not possible to open all mini tenders in public. The Monthly Report to the Finance Portfolio of all awards within the “Mini tender” category is being done in accordance with Section 17 of the Supply Chain Management Regulations.

Open tenders with the value of R200 000.00 and above follow the 3 Bid Committee System; Bid Specification Committee, Bid Evaluation Committee and Bid Adjudication Committee. The Committee members are appointed in writing by the Accounting Officer. The delegated authority of the Bid Adjudication has been set at R10 million. All bids above this threshold, and more than a period of one (01) year are referred to the Office of the Municipal Manager for final approval before implementation. Tenders remain the responsibility of the user Department from the inception right to the handover or closeout report.

The bidding documents are based upon the Standard Terms of Contract and bidding documents as supplied by National Treasury. Special conditions are approved as and when applicable. The PPPF Act thresholds and points allocation are applied where and how applicable. The 80/20 and 90/10 split applied to all contract values as stipulated in the PPPFA regulations.

#### Supply Chain Management Policy

The SCM Policy was subjected to the process of review and adoption during the presentation of the Final Budget 2022-23 on the 31<sup>st</sup> May 2022 of Ray Nkonyeni Municipality.

#### Preferential Procurement Policy

There has been amendments in the PPPFA regulations in 2017 and the policy is on an implementation stage until 16 February 2022 where a constitutional court judgement that nullified the BBBEE case CCT 279/20 [2022] ZACC 04 MINISTER OF FINANCE V AFRIBUSINESS NCP CCT279/20 which meant that all tender advertised on the 16<sup>th</sup> February 2022 will not be using BBBEE as pre-qualifying criteria and the municipality through the office of the accounting officer applied for exception to the to allow other procurement processes to continue in order to allow service delivery in the municipality.

### Contract Management

A consolidated Contract Management Register is in place. These tie into all Supply Chain Management processes and the approved Procurement Plan. All Departments are responsible individually for their own Contract Register and is controlled by a master Register. The Procurement Plan was also compiled and in place. This process of closely monitoring the procurement plan has ensured better utilization of capital funding, which has been a contentious issue over the past few years.

### Code of Ethics

All Supply Chain Management practitioners, as well as members of the three Bid Committees, are required to sign a Code of Ethics as approved by Council. The approved code is based upon the Code of Ethics of National Treasury. At all Bid Committee Meetings, the members must declare their interests as part of the standing rules and approved terms of reference of the Bid Committees. New Bid Committee members were appointed by the Municipal Manager as a result of resignations or withdrawals during the year. Training was called for and Provincial Treasury assisted in basic training for the Committee Members, and it will be on-going to ensure that the Committee members are always fully up to standard.

### Training and Competency

In accordance with the requirements of Section 8 of the SCM Regulations, as well as Section 83 of the MFMA, all SCM Practitioners must have a minimum level of competency, and the training of staff to meet the requirements is on-going. In SCM Senior Accountant and one (01) Procurement Officers has undergone the MFMP (Municipal Finance Management Programme) training. Manager SCM, Bid Committees members and all SCM staff personnel attended various trainings organized by Provincial Treasury to enhance our knowledge on changes affecting our SCM processes. We are organizing more training for our SCM Officials as we start the financial year.

### Database

The National Treasury introduced CSD (Central Supplier Database System), Ray Nkonyeni Municipality has been implementing the system with no further challenges this financial year.

## By-laws

By-laws can be understood as rules that are put in place to govern how local municipalities operate. In the Ray Nkonyeni Municipality, the various by-laws are enforced by the Law Enforcement Unit that falls under the Public Safety department.

### 2.10 Websites

<b>Municipal Website: Content and Currency of Material</b>	
<b>Documents published on the Municipality's / Entity's website</b>	<b>Yes/No/N/A</b>
Current Annual and Adjustments budgets and all budget-related documents	Yes
All current budget-related policies	Yes
The previous annual report	Yes
The annual report published/to be published	Yes
All current performance agreements required in terms of section 57(1)(b) of the Municipal Systems Act and resulting scorecards	Yes
All service delivery agreements 2022-23	Yes
All long-term borrowing contracts 2022-23	Yes
All supply chain management contracts above a prescribed value for 2022-23	Yes
An information statement containing a list of assets over a prescribed value that have been disposed of in terms of MFMA section 14(2) or (4) during the year	N/A*
Contracts agreed in the year to which subsection (1) of section 33 apply, subject to subsection (3) of that section	Yes
Public-private partnership agreements referred to in section 120 made in 2022-23	N/A*
All quarterly reports tabled in the council in terms of section 52 (d) during 2022-23	Yes
* N/A: The municipality did not engage in activities that would result in such documentation being necessary	

### Comments on Municipal Website Content and Access:

The website was fully functional during the 2022-2023 financial year, previously the full functionality of the website was hampered by several factors and this affected compliance with MFMA section 75, but with the assistance of a dedicated service provider the Municipality has managed to ensure full functionality of the website and there is continuous improvement on the website to make sure it serves ratepayers and other stakeholders efficiently. There is timeous upload of statutory documentation which has improved compliance with MFMA section 75.

All municipal libraries have wireless access to ensure that community has access to municipal information when visiting their local library. Libraries that have internet access for communities are as follows Gamalakhe, Margate, kwaNdwalane, Hibberdene, Port Edward, Ezinqoleni (Cyber cadets are available to

sassist community),the rest of libraries have internet public access but currently no cyber cadets available to assist the community.

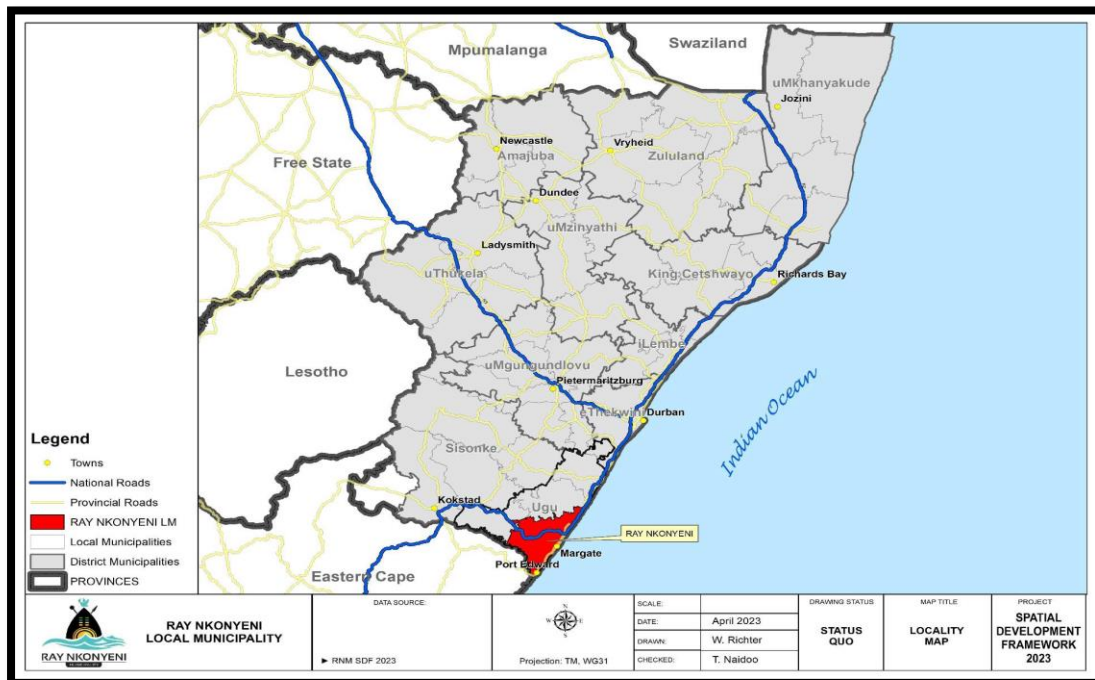
Conducted 19 cybercadet workshop and visited 14 schools to promote the usage of internet facilities in libraries and empowerd our communities.Trained interested candidates on computer literacy.

## 2.11 Public Satisfaction on Municipal Services

### CUSTOMER SATISFACTION SURVEY ANALYSIS

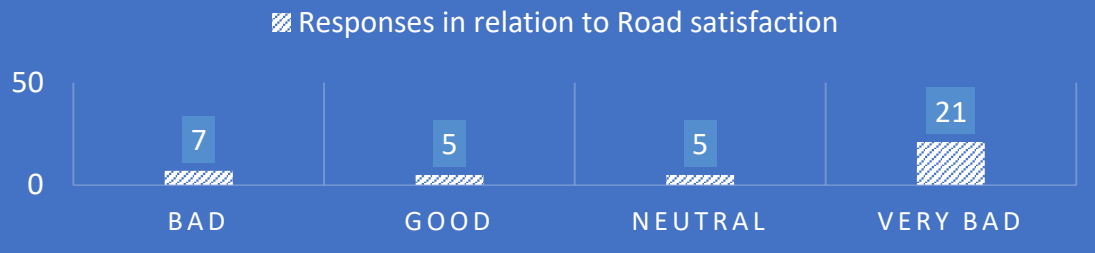
Stakeholder Relations & Customer Care Office conducted a customer satisfaction survey analysis for 2022/2023 financial year, the results within different municipal services were recorded as follows:

#### Geographic Locality



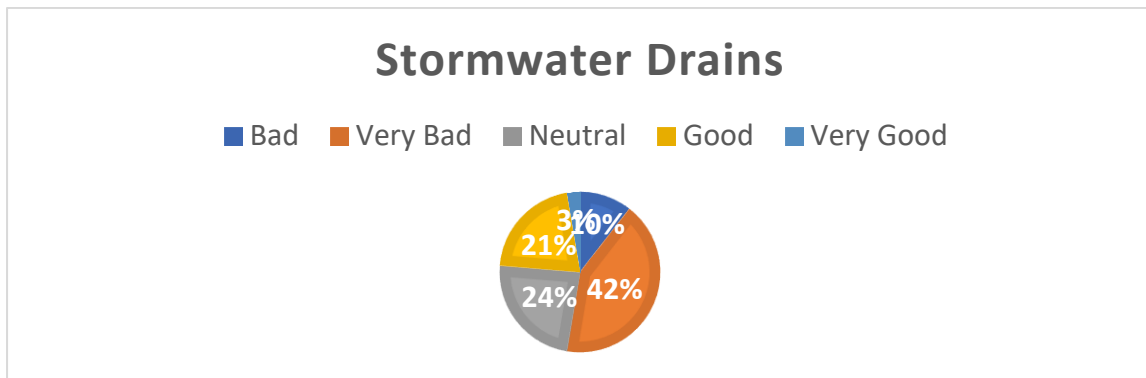
#### Roads

## RESPONSES IN RELATION TO ROAD SATISFACTION



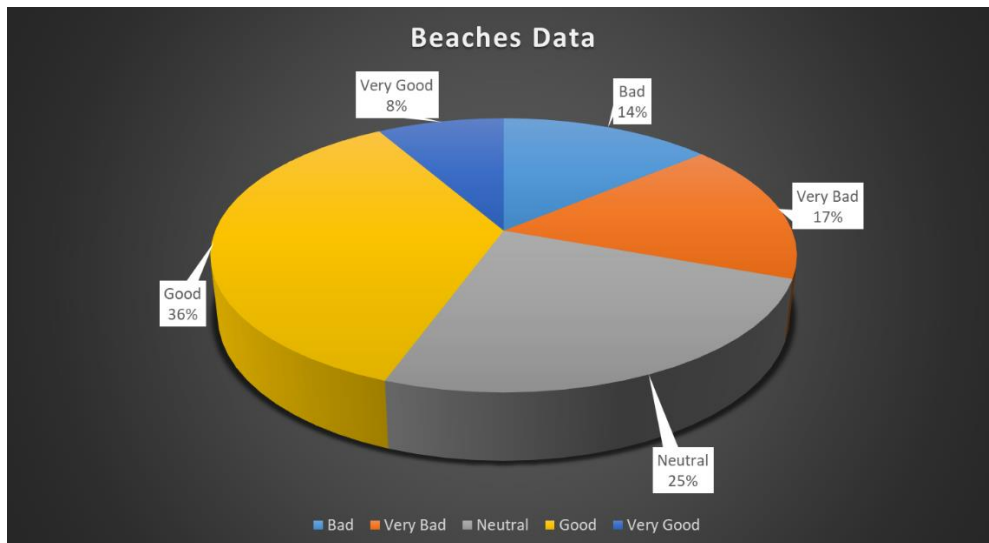
- The above graph clearly demonstrates that responses in relations to Roads satisfaction were very bad with 21% being the highest percent meanwhile 7% responded as bad and with 5% being equally good and neutral.

### Stormwater drains



- The overall responses of stormwater drains were 42% with the interpretation of very bad while 24% of responses were neutral whilst 21% is good.

## Beaches



- This pie chart illustrates that 36% of responses were good while 25% of responses were neutral, 17% responses were very bad meanwhile 14% of the participants stated that the beaches were bad and 8% responded good.

### 2.12 All municipal oversight committees

The RNM municipal committees consist of the following committees:

- Budget Steering Committee
- Corporate Services
- Council
- Development and Planning Services PC
- Ethics Committee
- EXCO
- Finance and Budget PC
- Governance Special Programmes and Youth PC
- MPAC
- Public Safety and Community Services PC
- Technical Services PC

➤ TROIKA

For more information, please refer to Appendix B

## **Chapter 3 – Service Delivery Performance (Performance Report Part 1)**

### Component A: Basic Services

#### 3.1 Electricity

##### **Introduction to Electricity:**

Ray Nkonyeni Municipality Department of Technical Services (DTS) provides electricity services and is responsible for the entire municipal electrical infrastructure. The responsibilities are as follows:

##### **Electrical Maintenance**

- Repairs and maintenance of all street lighting and highmasts lighting infrastructure in all wards within Municipal Areas from Hibberdene to Port Edward and in former Eziqoleni wards;
- Takeover of streetlights from Eskom in areas of Marina Beach, Trafalgar and Southbroom;
- Repairs and maintenance of all traffic Lights within the Municipal Areas from Hibberdene to Port Edward;
- Maintenance of all municipal buildings, facilities and properties in all Wards within Municipal Areas; and
- Retrofitting with energy efficient 246x LED streetlights and 344x LED highmasts lights.

##### **Energy Efficiency Demand Side Management**

The existing municipal electrical infrastructure was targeted for the Energy Efficiency Demand Side Management Programme included, High-Mast floodlights, streetlights, capacity building and training and energy efficiency awareness. The floodlights and streetlights luminaires in the municipality were found to be Mercury Vapour (MV) and High Pressure Sodium (HPS). The streetlights and high-mast floodlights in the RNM Municipality consume the bulk of electricity produced from non-renewable fossil fuel resources. Streetlights and high-mast floodlights, of which are used mainly for public lighting along roads and in the wards within the municipal areas. There is a need to install additional smart meters and to make use of the energy management systems to achieve the desired state of energy management within the municipality.

An energy baseline was developed which aided to assess the municipality's current energy use and provides a level for comparison with future improvements. A baseline and benchmark for energy usage by facilities and equipment was then established. Key activities and operations that consume the most energy or are inefficient were identified. Information from the energy audit was used to identify the most energy-intensive or inefficient activities and operations in the facilities.

Energy priorities for improvement were finally established. Based on results of energy assessments and audits, potential energy improvement projects and activities were identified, evaluated and prioritized. The proposed energy efficiency interventions therefore was to continue with retrofitting MV and HPS to LED Lights. The public lighting infrastructure which consists of highmast floodlights and streetlights are situated in various wards within Ray Nkonyeni municipality's area of jurisdiction and plays a crucial role for illumination and help to reduce the rate of criminal activities during the night.



### Energy efficiency projects and interventions for 2022/2023

Project No.	Description	Adequacy of the installed controls and control settings ( Satisfactory/ Unsatisfactory)	Energy consumption baseline (kWh/year)	kWh savings per year
1	Retrofit 344 x 400Watt HPS High-Mast Floodlights with 200Watt LED floodlights	Satisfactory	1 506 720kWh	301 344kWh
3	Retrofit 246 x 125Watt HPS Streetlights with 53W LED lights	Satisfactory	1 007 480kWh	77 579kWh
<b>Sum</b>			<b>2 514 200 kWh</b>	<b>378 923 kWh</b>

### Electricity Distribution Network

Ray Nkonyeni Municipality has a NERSA distribution licence to distribute and supply electricity to customers. The electricity distribution area covers: Port Shepstone CBD and Beachfront, Newtown, Mbango and Mbango Valley, Oslo Beach, Albersville and Marburg Industrial. Ray Nkonyeni purchases Electricity from Eskom at a supply Voltage of 11 kV. There are two Eskom points of bulk supply to Ray Nkonyeni local municipality namely the Port Shepstone substation and the Marburg switching station.

- Operations of the electricity distribution network and electricity supply to areas as listed above;
- Preventative and corrective maintenance of the distribution network within electricity supply areas;
- Provide 24 hours, 365 days network standby in case of power outages and network breakdowns or emergencies;
- Installation of new electricity network infrastructure within the Distribution Areas;
- Infrastructure equipment upgrades and refurbishments of electricity distribution network;
- Installation of new electricity supply connections for consumers within area of electricity supply;

- Process power supply upgrades and /or downgrades upon request from consumers;
- New electricity meter installations, replacement, testing and meter auditing; and to
- Ensure compliance to National Energy Regulator of South Africa (NERSA) licence conditions :
  - Annual electricity tariff applications
  - Compilation and submission of technical distribution forms (D-Forms) on annual basis
  - Quality of service reports as per NRS 047
  - Quality of supply reports as per NRS 048
  - Code of practice for electricity metering as per NRS 057
  - Management of electricity losses
- Manual and automated meter readings and Billing of residential, commercial and industrial electricity customers.

### **Electricity Administration**

The municipal consumer profile is made up of the various consumer types, including Free Basic Electricity (FBE) customers in the Eskom areas of supply. Within the Municipality's area of supply there are Domestic (conventional), Manufacturing/industrial, Commercial (conventional) and Other municipal departments.

The Electrical Section's functions include :

- Electricity billing and billing queries/enquiries;
- Develop and apply annual schedule of electricity tariffs of charges;
- New consumer applications and connections for electricity supply;
- Process consumer applications for service terminations, testing of meters
- Electricity network faults reporting;
- Electricity consumer complaints and queries;
- Provide comments for new building applications or sites rezoning within distribution area – comments on availability of electricity supply;
- Wayleaves applications.

### **Electricity Network Planning**

- Development of an electricity infrastructure network master plan;
- To include, a network development plan (NDP), network upgrade and refurbishment plans;
- Implementation of the electricity infrastructure master plan;

- Network load growth forecasting;
- Network load flow studies; and
- Network protection.

### **Small-Scale Embedded Generation (SSEG)**

Technical Services Department developed a policy and framework for the approval and registration of Small-Scale Embedded Generators, as well as the regulation thereof relative to the requirements of the Municipality, other Policies and By-laws. The policy is applicable to all customers wishing to install small-scale embedded generations systems within Ray Nkonyeni distribution area. All SSEG generators at residential, commercial or industrial customer sites that are grid-tied are required to register with the municipality. Nersa has declined the municipality's application for new SSEG tariffs pending that a detailed cost of supply study be conducted in accordance with the Nersa COS framework.

The SSEG policy covers:

- The conditions under which SSEG will be accepted onto the Ray Nkonyeni Municipality's electricity distribution network
- The Application and Commissioning Process for SSEG
- Contractual arrangements between the SSEG customer and Ray Nkonyeni Municipality
- Metering and tariffs for SSEG
- All existing and prospective SSEG customers in the municipal distribution area connected to the municipal distribution network, and
- Applicable technical standards and specifications.

Key amendments to the Electricity Supply By-Laws relate to following:

- a) Defines SSEG as small-scale embedded generation/generator refers to power generation installations (e.g. solar photo-voltaic, PV) of less than or equal to 1MVA (or 1000kVA) that are located at residential or commercial or industrial customer site. System is grid-tied, i.e. connected to the municipality's electrical network either directly or through a customer's internal wiring.
- b) By-law sets out procedure for approving the connection of SSEG systems – Clause 1, 11, 12
- c) By-law talks to SSEG tariffs and metering – Clause 13, 23
- d) By-law regulates wheeling of electricity – Clause 27

- e) By-law regulates resale of electricity – Clause 28
- f) Municipality's right to disconnect unauthorized or illegal connections or embedded generators that do not comply with these by-laws and the SSEG Policy – Clause 35
- g) Compliance of embedded generation systems to technical standards and to distribution network operational requirements – Clause 39.

### **Electricity revenue enhancement programme**

Revenue Enhancement Programme focus was on electricity meters and land use/zoning audit, meter management and tariffs review and recommendations on restructuring. The project was supported by Development Bank of Southern Africa (DBSA) which provides financial support to Municipalities across Southern Africa. The aim was to develop and implement a Revenue Enhancement Programme for Ray Nkonyeni Municipality with the aim to strengthen the municipality revenue streams.

The programme identified some key interventions and focus areas for implementation by the municipality:

- Tariffs re-design by conducting detailed cost of supply study and ensure customers are charged in accordance with cost of supply study and NERSA benchmark tariffs.
- Billing and revenue improvement plans
- Data cleansing prioritize data audits and clean-up of master and meter data
- Prioritize correction of billing inconsistencies
- Installation of check meters to verify Eskom bulk purchases and to conduct energy balancing
- Replacement of analogue and obsolete meters
- Resolve environmental issues, vegetation control required to improve meter accessibility
- Re-instatement of interconnector between Marburg and Port Shepstone main intake points
- Electrification of households who are currently on free basic alternative energy programme
- Audit of free basic electricity (FBE) programme
- Field audits of land parcels to determine land use
- Electricity technical and billing process improvements
- Introduction of bulk contribution calculations policy to be approved by Council
- Curb outages due to theft and vandalism and address illegal connections
- Detailed network infrastructure studies to be prioritized for infrastructure upgrades

- Implement data and revenue management dashboard tool
- Electricity infrastructure refurbishments and replacements – electrical cables, mini-substations and inter-switches replacements
- Memorial and Reynolds switchgear refurbishment and replacement
- Establish PMO for integration between meter installation and meter management system
- Physical land use and electricity meter audits
- Linking of land use with land use scheme (zoning) and linking of land audit data to metering data
- Prioritizing key capital revenue enhancement projects requiring refurbishment/ replacement to improve revenue recovery
- Legal and governance by alignment of agreement as per municipal by-laws
- Improve data analytics, control and upgrade operating processes to automated workflow tools
- Implement integrated marketing and communication plan for simplicity and consistency in communications.

### **Free Basic Electricity (FBE) and Free Basic Alternative Energy (FBAE) Programme**

The Free Basic Electricity (FBE) and Free Basic Alternative Energy (FBAE) programme interventions have assisted the Municipality to address a whole suite of socio-economic issues that arise from inadequate provision of energy to households and also providing free basic services to the communities of Ray Nkonyeni Municipality.

Funding is critical aspect to a successful implementation of any poverty alleviation initiative including FBAE. In line with national government support to its programme, funds are already allocated to Ray Nkonyeni Municipality for these programmes through the Equitable Share grant.

Municipal Systems Act 32 of 2003 states that a municipality must ensure that all communities have access to at least minimal basic services, i.e. receive free basic electricity subsidised to a maximum of 50 kWh per month. The municipality provides free basic electricity to an average of 34 post-paid free basic electricity (FBE) beneficiaries within the municipality's supply areas. As per MOU agreement, Eskom co-ordinates and administers the prepaid free basic electricity (FBE) benefit packages to average of 3546 indigent households within Eskom supply areas. Ray Nkonyeni Municipality has 6453 registered FBE beneficiaries, of which only an average of 2592 beneficiaries purchased prepaid electricity tokens during 2022/2023 as per beneficiaries list.

The sole intention of FBAE policy is to assist in the provision of energy. The Free Basic Alternative Electricity objective is to provide indigent households in non-electrified areas by providing them with free basic alternative energy in the form of bio-ethanol gel and oils to help them meet some of their basic needs such as cooking and lighting. The intervention is aimed at alleviating some of the difficulties associated with access to energy in these households whilst the Municipality works hand in hand with Eskom towards ensuring that all communities have access to electricity through the INEP electrification programme. During 2022/23, FBAE was provided to 2932 households in 27 Wards – in the form of bio-ethanol gel for stoves and oil for lamps used for households' cooking and lighting purposes.

### Implementation of Electricity Infrastructure Masterplan

During the 2022/2023 financial year DBSA funded electricity infrastructure projects implementation progress was as follows :

Project Name / Description	Budget	Total Expenditure	Physical Progress%	Reason for Deviation
Meters Replacement	R 2 000 000	R 3 840 000	100% complete	Additional meters installed
Electrical Cables Replacement	R 1 000 000	R 0	0% complete	Cable prices escalation
Mini-substations Replacement	R 1 000 000	R 675 440	100% complete	
Inter-switches RMU Replacement	R 1 000 000	R 1 012 937	100% complete	
Memorial / Reynolds Refurb	R 3 476 000	R 495 746 (network studies)	Network studies are 100% complete	
<b>TOTAL</b>	<b>R 8 476 000</b>	<b>R 6 024 123</b>		

Employees: Electricity Services (including Mechanical Engineering)					
TASK GRADE	2021/2022	2022/2023			
	Employees No.	Posts No.	Employees No.	Vacancies (Fulltime equivalents) No.	Vacancies (as a % of total posts) %
TG. 14 - 16	1	2	1	1	50%
TG. 9 - 13	13	14	12	2	14%
TG. 4 - 8	25	27	26	1	4%
TG. 3	2	2	2	0	0%
<b>Total</b>	41	45	41	4	9%

Financial Performance 2022-23: Electricity Services					R'000
Details	2022-23				
	Original Budget	Adjustment Budget	Actual	Variance to Budget	
<b>Total Operational Revenue</b>	184,193	172,329	154,578	-19%	
Expenditure:					
Employees	11,920	14,074	14,002	15%	
Repairs and Maintenance	4,687	8,237	9,664	51%	
Other	172,586	154,968	114,275	-51%	
<b>Total Operational Expenditure</b>	189,193	177,279	137,941	-37%	
<b>Net Operational Expenditure</b>	(5,000)	(4,950)	16,637	130%	
<i>Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.</i>					
T 3.3.7					

Capital Expenditure 2022-23: Electricity Services					
R' 000					
Capital Projects	2022-23				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Merlewood streerlights	348	513	513	(165)	–
Installation of new Streetlights	1,304	1,287	1,287	18	
Meter replacement DBSA funded	2,000	3,350	1,727	273	
Energy Efficiency DSM	4,304	4,304	4,457	(152)	
Cable Replacement DBSA funded	1,000	500	825	175	
BULK ELECTRICAL SUPPLY TO NEW DEVELOPMENTS (WITHIN DISTRIBUT)	1,275	1,275	1,109	166	
Mini sub replacement DBSA funded	1,250	2,161	1,896	(646)	
Inter switch replacements DBSA funded	1,450	1,965	1,965	(515)	
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i>					

T 3.3.8

### 3.2 Waste Management & Cleansing

The section is responsible for ensuring that efficient waste removal in all neighbourhoods occurs and that our towns, streets and verges are maintained at a desirable level for our communities.

It has also been involved in efforts to ensure that refuse removal services are extended to those communities who were previously not receiving the service, researching on a pilot project which will see rural communities also benefiting from refuse removal services by the municipality.

In the past there were challenges with ensuring that the service is rendered efficiently due to ageing fleet but the Municipality has since resolved and implemented to purchasing two compactors in every financial year. There have been service providers engaged on a contract basis to ensure that the downtime of fleet is reduced significantly. In terms of the service delivery charter and the customer services complaints systems, there has been a recorded significant decrease which is monitored through customer care and through monthly rate payers meetings. The removal of refuse from the urban area has been adhered to with minimum standards of once per week collection for residential households and Commercial properties based on service level agreements.



It should also be noted that further clarity has been given by the National Domestic Waste Standards whereby onsite disposal is also considered a minimum service level. The strategy of the Municipality has been that of rigorous education of all communities; business sector; schools and all other key stakeholders on good waste management practices as contained in the National Environmental Management: Waste Act.

The Department is also involved in education and waste minimisation campaigns which are held to educate the communities on benefits of recycling and protecting the environment. Rigorous advocacy campaigns have been conducted throughout the different sectors of the Municipality. A two-bag project (waste diversion from landfill) was introduced as is being maintained to the households and the knowledge of recycling has increased based on the statistical information received monthly highlighting tonnage of waste recycled. There has been a noticeable decline in recycling as Ravine Lane operations were affected since the last contracted operator. The facility was vandalized and a new appointment of the operator was done.

The municipality is engaging Provincial Departments regarding funding so as to enable its project of extending services to previously unserved areas. There is continuous engagement regarding this project and the municipality is working towards its success. The municipality has applied for funding for specialized vehicles. The section continues to identify and establish relations with privately operated recycling facilities with the hope of establishing the PPP approach on waste minimization through extension of recycling in areas that do not participate in the two-bag project.

### ***Status of waste collection services***

During **2022-23** waste collection covered mostly the primary urban nodes with limited coverage in rural wards being serviced. The municipality removes waste from Hiberdene freeway off ramp to Port Edward and Eziqoleni CBD. Waste services coverage was 34.6% of households receiving weekly waste collection. The majority (60.1%) utilised their own refuse dump and 5% of household waste were removed less frequently than once a week. The combined level of service comprises both awareness campaigns, supervision and provision of refuse bags with recyclable waste collected. Upliftment frequencies ranges from weekly to quarterly. Whereas, businesses were serviced at a minimum of 3 times a week. Waste awareness campaigns with clean-up initiatives both in urban and rural communities made a tremendous contribution in the waste management in general.

### ***Street Cleaning and Servicing of Street Bins***

These facilities were available from Umtentweni to Hiberdene freeway off ramp, main roads and CBD areas (Hiberdene, Umtentweni Spar, Commercial Rd, Rethman Dr, Port Shepstone, Shelly Beach, Shelly beach CBD, Margate, Murburg –Waterson street, Gamalakhe, St Michaels to Port Edward and Ezingolweni CBD). In-house staff is allocated to clean all these main roads. During weekend and public holidays an assistance from external service provider acquired. It must be noted that there is a need to conscientise public about bad habit of littering even when there are bins provided.

### ***Garden Waste***

The accumulated plant matter from gardening activities which involve cutting or removing vegetation, i.e. cutting the lawn, weed removal, hedge trimming or pruning consisting of lawn clippings, leaf matter, wood and soil are collected through different transfer stations. Those stations include newly established, Hiberdene, New Bolton, Ugu fresh Produce Market, South Broom and Leisure Bay. Operation times are seven days a week from 7:30-1600. The Ugu fresh produce has been affected and vandalized during the recent riots and is not operational at the moment. Hiberdene transfer station has not been officially opened. Moreover, the municipality provides verge maintenance services to the entire municipal areas including tribal authorities. It also maintains public facilities such as crèches, sports field, halls including those in rural areas. The garden waste is ultimately disposed of at Oatlands. The waste characterisation study found that there is an increase from 257 tons/month of garden waste to as much as 2 800 tons/month that arrives at the landfill site; and as such, the municipality has since encouraged users to alternatively drop off their waste at a local privately owned garden waste recycling facility through PPP approach established relations.

### ***Waste disposal***

All waste is disposed of at the Oatlands landfill site. This is a licensed Class B (G.M.B+) sanitary landfill. Landfill air space is estimated at a further 14 years. The site receives ~158.736t/day. The site is in need for expansion with the development of Cell 4C with further cells due for commencement. The remaining air space upon being granted the extension on the 07<sup>th</sup> June 2022 is 9000m<sup>3</sup> estimated to accommodate waste up until 09<sup>th</sup> September 2022. This means after 09<sup>th</sup> September 2022 the municipality will not have space for landfilling and will need to consider options such as temporary storage on site which needs to be permitted or else consider long hauling to Durban if they have space available.

## **Waste Recycling**

Higher order waste management principles include avoidance, minimisation, re-use and recycling. The recycling efforts in the municipal area are established and the goals for this area are to bring about effective waste avoidance and minimisation through awareness campaigns. The ambition is to expand the recycling programme to additional areas which requires additional waste characterisation and establishment of partners in more rural areas. Recycling programmes have been developed using a separation at source program and voluntary drop-off centres which are placed at strategic points (garden transfer stations and uplifted twice a week) for communities to have easy access to them. The process begins with a two-bag system for kerbside collection. Recyclables are placed in clear bags and collected separately from black non-recyclable bags. Clear bags are sent to Ravine Lane Recycling/Buy-Back Centre where further separation / baling, sorting, and weighing is carried out by a private enterprise. Additionally, six drop off centres are available for the public to engage in waste management/ minimization. No volumes were available for each drop off centre however, these volumes are all incorporated into the data reported by the recycling centre (Ravine Lane) and other private recycling companies who have partnered with the municipality. Separated recyclables are collected by the municipality and sent to Ravine Lane Recycling/Buy-Back centre. Volumes of waste recycled are outlined in the table below.

It is estimated that the municipality is diverting ~25% of waste handled by the Cleansing Department through the implementation of waste minimization programs and projects and this includes waste recycled by private facilities. Based on figures from the waste characterisation study there is ~75% of the recyclable fraction still being disposed of. Furthermore, the study indicates that greens and builder's rubble can be diverted from the waste stream realising further diversion from landfill – a cumulative 7% of total landfill. Discounting the builder's rubble and assuming a 30% recovery of recyclable fraction and 50% recovery of organic fraction from the waste going to landfill, a further 3.2% can be diverted on an annual basis. There has been a noticeable decrease in recycling due incapacity as Ravine Lane has not been fully operational due to vandalism of the facility resulting to no bailing of waste as machinery was stolen. The contracted service provider is currently sourcing machinery to start operations as this was not part of the specifications of the tender and Ravine Lane facility is currently awaiting maintenance.

Recoverable recyclable volumes are known in the mainstream areas but not in those un-serviced areas. The recovery rate is not known and thus a goal of this is to firm up on the recyclable fraction. Recycling programme was as well extended to Schools through School Environmental Waste Education Programme (SEWEP) which is an ongoing advocacy programme with Schools, recyclable waste material

by the Municipality. Over 65% of schools were participating in the program. There are 3 community based groups benefiting from waste minimisation through collection and selling of recyclable material. Those groups are assisted by the Municipality, those groups are from KwaNzimakwe, Izingolweni and Murchison. This is a realisation and achievement of one of the goals in the National Waste Management Strategy 2011 which is the development of SMMEs through waste minimisation.

### Landfill diversion achieved by role players in the Ray Nkonyeni Municipality

Aspect	Mass tons	Ref	Source
Tonnage over weigh bridge	45220 (from July 2022-June 2022)	A	Weighbridge data
Tonnage reclaimed	2,505.89 tons (June, 2022-July,2022)	B	Oatlands Landfill site (including scrap metal), Ravine Lane Recycling Facility, Trend recyclers, PI recyclers and Coastal Waste Services.
Total waste	45220	a	
Total recycled	2 505.89	b	
% diverted	5.5 %	e/d %	

*\*No waste treatment is undertaken in the municipality except for informal composting.*

### Waste Information System

The Ray Nkonyeni Municipality does report onto the Waste Information System (WIS). Adjusting the volumes indicated are reflective of the Oatlands weighbridge data and recyclable waste from Ravine Lane, and privately operated recycling facilities which include Trend recyclers, PI recyclers and Coastal Waste Services. The waste types are listed only as general municipal waste that includes business waste and also recyclables tonnages.

### Education and awareness

The municipality adopts a system wide perspective on waste education and awareness, recognizing that education and awareness take place in a range of formal, non-formal, informal social learning and technology enhanced learning environments. It also recognizes that many new forms of knowledge and learning can be made available through technology enhanced learning and outreach community awareness, and the concept of integrated waste management practices. The goal is to expand this to see effective involvement and buy in from the community resulting in reduced littering and more efficient

waste collection and to establish a culture of compliance with regards to waste management. Currently there are public awareness campaigns promoting good waste management practices through- Media, Private sector (business), Community Based Organisations, Faith Based Organisations, Non-Governmental Organisations, schools and others. Internal training; 2. IWMP Road Shows; 3. Waste Management Awareness Campaigns; 4. Clean up programmes (litter and beach clean-ups); 5. School Environmental Waste Education Programme and Competitions; 6. Greenest Municipality Competition; 7. Adopt-a-spot programmes (currently with Informal Traders to expand to Businesses located in CBDs); 8; Two-Bag Recycling Project; and 9. Drop-off facilities. Due to Covid 19 restrictions; it has proven challenging to be physically in contact with people, hence shift to digital awareness and information circulation has been opted on. Partnership with radio stations have been established.

The Municipality conducted profiling exercise whereby all illegal dumping hotspots were profiled in terms of locality and waste management indicators/attributes. Education and awareness after investigations will be strongly implemented across all profiled illegal dumping spots.

### **Compliance and enforcement**

The municipal by-laws on waste management were reviewed, adopted and gazetted to enable law enforcement agencies and Waste Management Officer (WMO) to enforce by-laws. The immediate initiatives are to integrate the enforcement of all bi-laws including nuisance bylaws so that they can be enforced by Public Safety Department. In the meantime, there is a system where residents report waste transgressions and processes of investigating that particular case is followed and finally provide feedback to community.

<b>Employees: Waste Management &amp; Cleansing services (inc EPWP and Office of HOD Community)</b>					
<b>TASK GRADE</b>	<b>2021/2022</b>	<b>2022/2023</b>			
	<b>Employees No.</b>	<b>Posts No.</b>	<b>Employees No.</b>	<b>Vacancies (Fulltime equivalents) No.</b>	<b>Vacancies (as a % of total posts) %</b>
TG. 14 - 16	3	2	2	0	0%
TG. 9 - 13	7	7	7	0	0%
TG. 4 - 8	114	164	103	61	37%
TG. 3	239	309	223	86	28%
<b>Total</b>	<b>363</b>	<b>482</b>	<b>335</b>	<b>147</b>	<b>30%</b>

Financial Performance 2022-23: Waste Management & Cleansing Services Services					R'000
Details	2022-23				
	Original Budget	Adjustment Budget	Actual	Variance to Budget	
<b>Total Operational Revenue</b>	81,218	78,556	73,355	-11%	
Expenditure:					
Employees	101,312	101,324	100,635	-1%	
Repairs and Maintenance	7,282	8,243	7,232	-1%	
Other	65,772	70,063	63,144	-4%	
<b>Total Operational Expenditure</b>	174,365	179,630	171,011	-2%	
<b>Net Operational Expenditure</b>	(93,147)	(101,074)	(97,656)	5%	
<i>Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.</i>					
T 3.4.7					

Capital Expenditure 2022-23: Waste Management & Cleansing Services						R' 000
Capital Projects	2022-23					
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value	
Total All	#REF!	#REF!	#REF!	#REF!		
Staff Depot Ablution Facilities - Phase 3	1,304	1,304	851	453		
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).</i>						
T 3.4.9						

### 3.3 Cemeteries and Crematoriums

The Department have a mandate to provide additional burial space which was achieved through expansion of Oslo Beach Cemetery. It should further be noted that Izotsha memorial park which is leased out carried the bulk of the burials within the Municipality. An unaccounted percentage is covered under home burials for all the rural areas. There only two cemeteries (Izotsha memorial and Oslo Beach Cemeteries) that are fully functional and with limited burial spaces which may be depleted in a short term period. Port Shepstone is full and closed, Albersville, Margate, Nositha and Uvongo are full and only conducting reburials. There are two crematoria which are both leased to private contractors and both of them are currently not operational. The Izotsha memorial crematoria is expected to commence operation before the end of the year, 2022 once operating licence has been issued and Oslo Beach crematoria is nearly completion with renovations and it shall resume operation either before the of this year or earlier in the year 2023.

#### Finance

Financial Performance 2022-23: Cost to Municipality of Free Basic Services Delivered				
Services Delivered	2022-23			
	Budget	Adjustment Budget	Actual	Variance to Budget
Electricity :Indigent Relief	4,530	4,859	4,295	-5%
Revenue foregone indigent support-property rates		-	-	0%
PROPERTY RATES REBATE INDIGENT OWNERS	17,670	29,404	29,275	40%
Total	22,200	34,263	33,570	0
				T 3.6.4

Employees: Cemeteries & Crematoriums (inc. Education & Waste Minimisation)					
TASK GRADE	2021/2022	2022/2023			
	Employees No.	Posts No.	Employees No.	Vacancies (Fulltime equivalents) No.	Vacancies (as a % of total posts) %
TG. 14 - 16	1	1	1	0	0%
TG. 9 - 13	2	3	2	1	33%
TG. 4 - 8	7	8	7	1	13%
TG. 3	13	23	10	13	57%
<b>Total</b>	23	35	20	15	43%



### 3.4 Human Settlements

#### 1. INTRODUCTION

**Human Settlement could be defined as** *\_: the totality of the human community - whether city, town or village - with all the social, material, organizational, spiritual and cultural elements that sustain it. The fabric of human settlements consists of physical elements and services to which these elements provide the material support.*

Over the years, this concept has developed further into a strategic framework for overall socio-economic development. The physical components of human settlements comprise of shelter (a house), basic services such as water and sanitation, electricity and refuse removal, security of land tenure rights, access to social facilities and services, economic development opportunities and improved amenities. Human settlements are the spatial dimension as well as the physical expression of economic and social activity. The creation of sustainable human settlements is inevitably an objective for social development. It defines and conditions the relationship between where people live, play and work on one hand, and how this occurs within the confines of the natural environment. It is one of the most visible and quantifiable indicators of the society's ability to meet one of its basic needs – shelter, and a pre-requisite for sustainable human development and economic growth.

In terms of the National Development Plan, by 2050 visible outcomes from effectively coordinated spatial planning systems will have transformed Human Settlements in South Africa into equitable and efficient spaces with citizens living in close proximity to work with access to social facilities and essential infrastructure.

By 2030 most South Africans will have affordable access to services and quality environment. New developments will break away from old patterns and significant progress is to be made in retrofitting existing settlements. In rural areas targeted investment and institutional reform will need to drive a revival of rural South Africa towards:

- Thus by 2030, measurable progress must be made towards breaking apartheid spatial patterns.
- That the majority of South Africans shall have access to adequate housing, affordable services in better living environment.
- Equitable and functional residential property market.

The vision within KZN Human Settlement Master Spatial Plan is also by 2030 KwaZulu –Natal is recognised for its compact , connected and integrated human settlement pattern across different scales reflecting successful spatial transformation, founded on the values of sustainability, choice and value creation. The human Settlement spatial plan states that the strategic trust of the Housing Needs, Research, and Planning Programme is to ensure that housing development is undertaken in an intergrated and sustainable manner by ensuring that there is a fully functional project pipeline that is aligned to National and Provincial Priorities.

The Municipal Vision (2036) has reflected three strategic objectives in the implementation of sustainable human settlements which are as follows:

- Strategic Objective 1:
  - New Housing Funding Model
  - Funding for Gap housing, social housing
  - Transformation of informal settlements
  - Density and green human settlement patterns
- Strategic Objective 2: Mixed Housing Typologies
- Strategic Objective 3: Regional Bulk Infrastructure

## 2. **ESTIMATED HOUSING NEED / BACKLOG**

Following the implementation of the National Housing Needs Register approximately 37 530 occupants have expressed their need for housing assistance within the Municipality either in terms of the Subsidies Housing Programme, Social Rental Housing or the Finance Liked Individual Subsidy Programme. The registration process is expected to be completed by June 2024.

## 3. **INSTITUTIONAL ARRANGEMENTS**

### 3.1 **Municipal Housing Accreditation**

With regards to the National Accreditation Framework (2012), the Municipality is accredited in terms of level 1 housing function (subsidy budget planning and allocation) with a three-year Implementation Protocol Agreement which was concluded for the financial year 2020-2023. A new Implementation Protocol Agreement has been concluded for the 2023-2026 financial year. The National

Accreditation Framework (2017) has been revised by proposing a shift to a programmatic approach towards accreditation that responds to the redesign and complexity of National Housing Programmes.

The aim of the Municipality is to have a project pipeline (relevant housing programmes) to roll out housing projects to meet its housing need and ensure the creation of integrated, sustainable human settlement development. In terms of the Implementation Protocol agreement (level 1) concluded between the Provincial Department of Human Settlements and Ray Nkonyeni Municipality, the Municipality is implementing the following housing programmes:

- Rural Housing Programme,
- Informal Settlement Upgrading Programme
- Finance Linked Individual Subsidy Programme,
- Housing Rectification Programme.
- Social Housing Programme
- Rental Information Office

The Municipality is also required to get involved on other human settlement activities, such as:

- Assistance of Military Veterans
- Emergency Assistance (Sukumasakhe/Disaster related housing)
- Community Residential Units
- Catalytic Projects
- Prevention of Land Invasions & Emergence of New Informal Settlements.

The roll out of housing programmes/project is largely, dependent on the provision of Human Settlement Grant funding from the Provincial Department of Human Settlement, performance of Implementing Agents, Contractors, and availability of bulk Infrastructure reticulation services (water/sanitation) by the District Municipality.

Arising from policy directives from the Provincial Department due to fiscal challenges all housing projects approved for implementation will be phased.

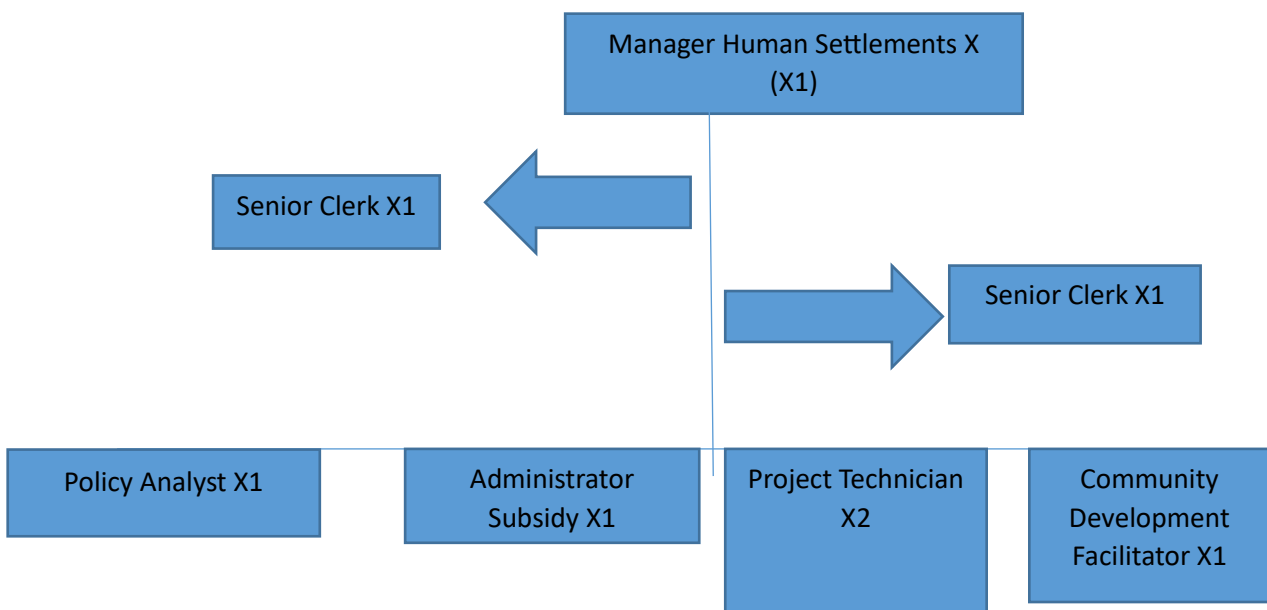
Its terms of monitoring and evaluation of human settlement projects the following meetings takes place:

- Monthly service delivery meetings.

- Quarterly Housing Accreditation meetings.
- Quarterly Social Rental Housing Meetings.
- Consumer Education Workshops.
- Project Steering Committee Meetings.
- Monthly Technical Meetings

### 3.2 Human Settlement Organogram

The Human Settlement Section falls under the Technical Services Department, which is headed by a Manager and seven (7) staff members. The section basically ensures that all human settlement projects within the Municipality are undertaken to meet the legislation requirements which stipulates that all people have a right to adequate shelter. Below is the organogram of the section.



Ray Nkonyeni Municipality has both a duty and an obligation to undertake a developmentally oriented spatial plan which subscribes to the principles of spatial justice, sustainability, efficiency, resilience and good land use management and administration. In recognizing its duties and functions as stipulated in Section 9 of the Housing Act, Chapter 5 of the Municipal Systems Act (Act 32 of 2000) and Sections 5(1) and 21 of the Spatial Planning and Land Use Management Act, and the Municipality has adopted a Human Settlements Sector Plan which epitomizes its 2036 vision.

#### **4.1 MUNICIPAL HOUSING ALLOCATION POLICY FOR THE INTEGRATED RESIDENTIAL HOUSING PROGRAMME**

The Municipality has an approved Housing Allocation Policy following the Integrated Residential Housing Programme. Its objective is to facilitate a fair, equitable, transparent, and inclusive selection of applicants leading to approval for all housing development projects aimed at creating sustainable human settlements. This is achieved through determining housing needs with accurate data for planning /budgetary purposes and meeting such needs (*housing needs register*), prioritize beneficiaries with special needs (*quota allocation*), *housing for Military Veterans* and a uniform and consistent approach when allocating housing opportunities that promotes good governance (*housing allocation committee*).

#### **4.2 MUNICIPAL SOCIAL HOUSING POLICY**

Arising from the National Social Housing Policy, the Municipality has an approved Social Housing Policy to address rental housing provision to those earning between R3 500 to R22 000 per month thereby identifying developable land, appointing Social Housing Institutions, and providing various municipal incentives. The critical challenges facing the role out of Social Rental Housing is the availability of bulk Infrastructure Services mainly (sanitation). Current sewerage treatment plants for Social Housing Projects in designated areas are full at capacity level and require major funding for refurbishment / upgrading.

#### **4.3 HUMAN SETTLEMENT SECTOR PLAN**

The Municipal Human Settlement Sector Plan is a 13-year plan (2017-2030). The Human settlement Plan is reviewed / updated annually, which is aligned to the Provincial Human Settlement Spatial Master Plan. It reflects on the policy framework, the democratic profile, and the spatial and environmental context, institutional assessments, housing needs and supply, human settlement development strategy and implementation. The last review and update of the Human Settlement Plan was undertaken in the 2022-2023 financial year.

#### **4.4 ESTABLISHING PRIORITY HOUSING DEVELOPMENT AREAS**

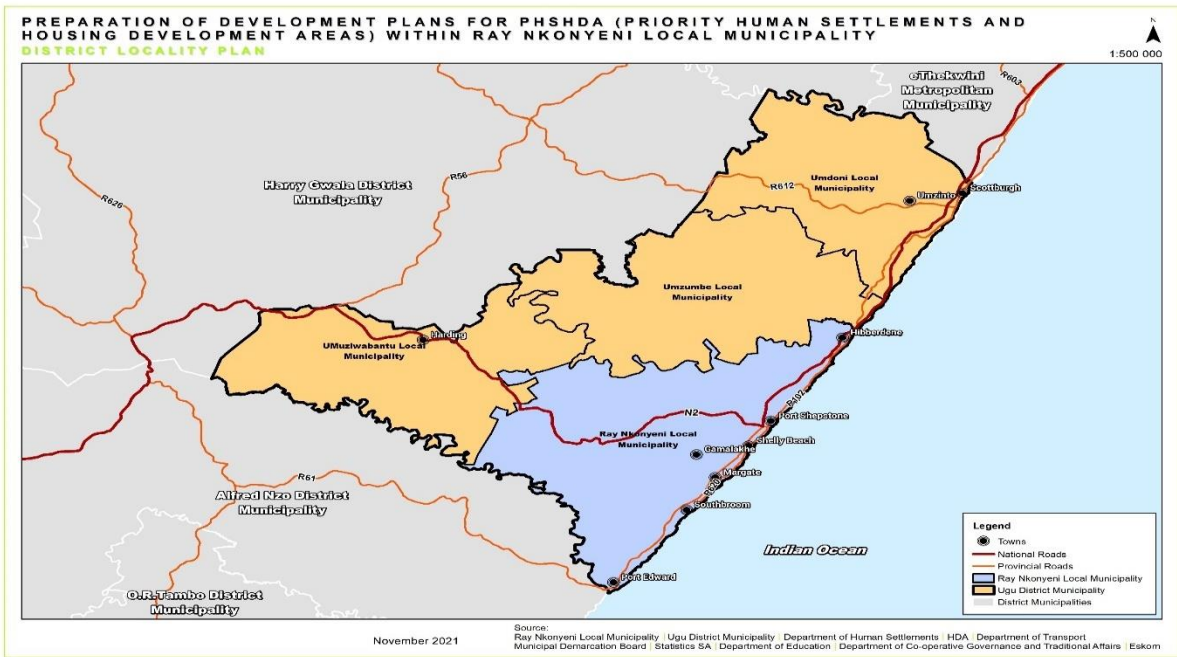
The Municipal Council supported the identification of Priority Development Areas, and the four (4) Human Settlement Priority Development Areas were approved by the Municipal Council.

The priority Human Settlement Housing Development Areas (PHSHDA) are aligned with its IDP, Human Settlements Sector Plan and its Spatial Development Framework as Priority Housing Development Areas. The Priority Development Areas have been incorporated in the Human Settlement Plan and is also reflected in the IDP. Within the four (4) Priority Housing Human Settlement Development Areas various potential sites (land parcels) for development purposes were identified with an Implementation Framework with the aim of ensuring the creation of integrated sustainable human settlements. This was undertaken by the Housing Development Agency.

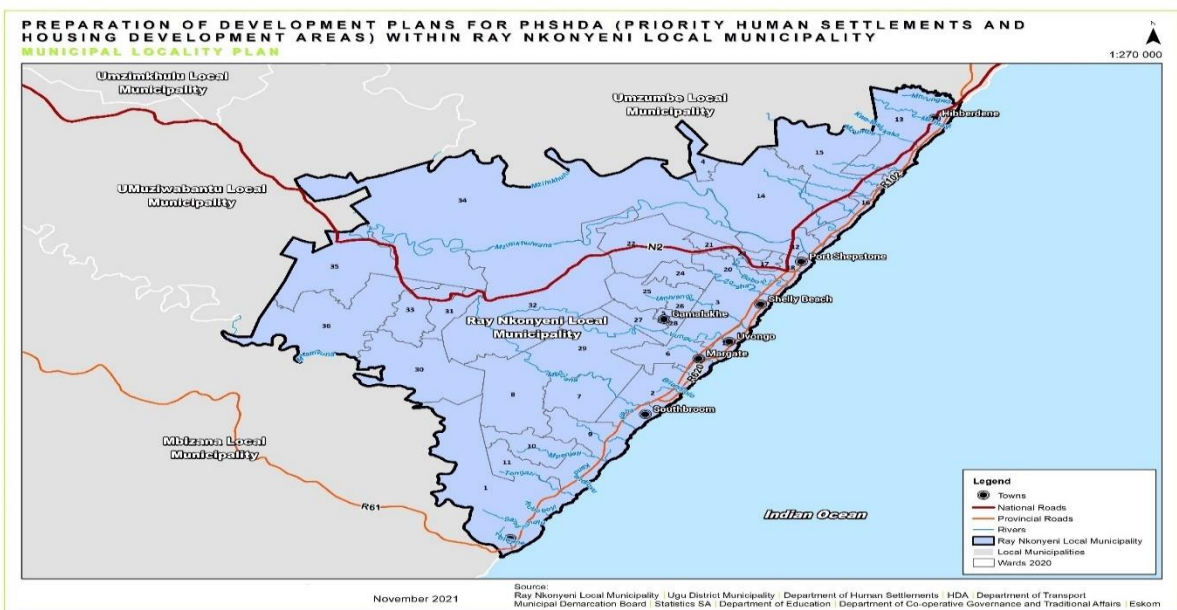
It is envisaged that over the next 20-30 years, Ray Nkonyeni Municipality (LM) will be a prominent Municipality which is built upon the vision set forth in the Ray Nkonyeni SDF and the PHSHDA supported by the Municipal IDP. The proposals will be realised through key interventions by development strong infrastructure linkages with the neighbouring towns and local municipalities.

THE FOUR PRIORITY HUMAN SETTLEMENT HOUSING DEVELOPMENT AREAS ARE AS FOLLOWS:

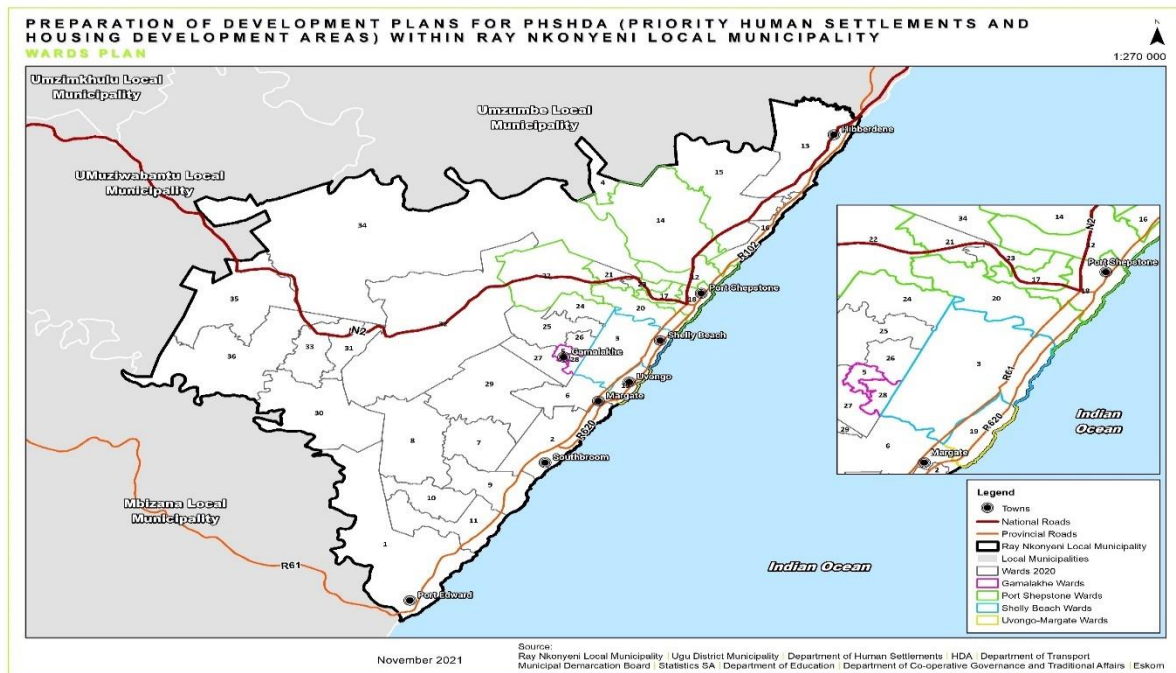
- a) **Greater Port Shepstone..... (Wards 12,14,15,16,17,18,20,21,22,23,24)**
- b) **Gamalakhe Nositha..... (Wards 3,5,6,25,26,27,28)**
- c) **Uvongo- Margate..... (Wards 3,19)**
- d) **Shelly Beach..... (Ward 3)**



**Ugu District Locality**



## Ray Nkonyeni Local Locality



### Ward Plan of the Four (4) PSHDA Areas

The approved areas are as follows:

#### a) Greater Port Shepstone N2/R102 Corridor PHDA

This area is described in the North by the water course separating Southport and Sea Park (Ward 16) till National Road (N2), coming South along N2 (towards Louisiana) till Umtentweni river and move along inland (Northeast direction) on the centre of the Umtentweni river (Ward 15 Louisiana) excluding Cabhane in KwaMadlala Traditional Area but including privately owned properties and the Maristella Church properties on the south of Umtentweni river joining St Faith Road. St Faith Road towards Louisiana township coming across the Umzimkhulu river covering part of Wards 12, 18, 17, 23, 21, 22 and portions of 32, 20 and 3.



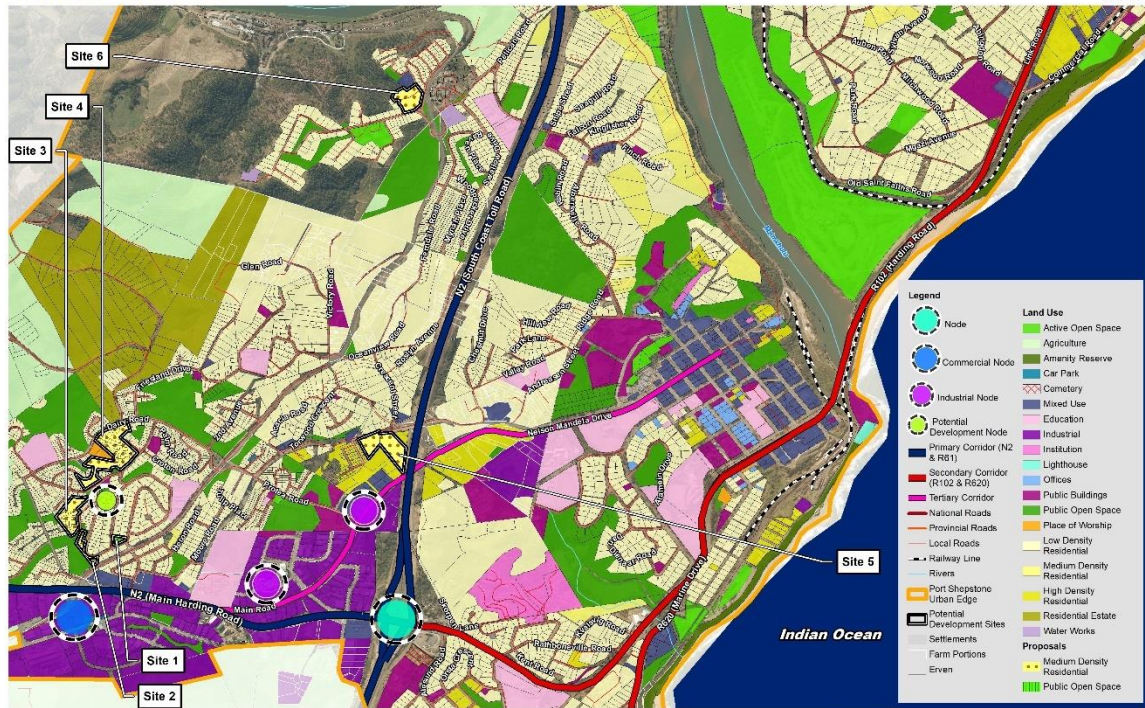


### **SITES / LAND PARCELS IDENTIFIED**

- i. Erf 1302-1309 & Erf 2542-2549 (Marburg Ext 3- Phase 1)
- ii. Erf 2514-2537 (Marburg Ext 34)
- iii. Erf 2565-2616 (Marburg Ext 34 Phase 2)
- iv. Erf 2554 & 2319 (Marburg Ext 34 Phase 2)
- v. Erf 2686 (Protea Park)

**PREPARATION OF DEVELOPMENT PLANS FOR PHSDA (PRIORITY HUMAN SETTLEMENTS AND HOUSING DEVELOPMENT AREAS)  
WITHIN RAY NKONYENI LOCAL MUNICIPALITY - PORT SHEPSTONE**  
**LAND USE PROPOSALS PLAN**

1:17 500

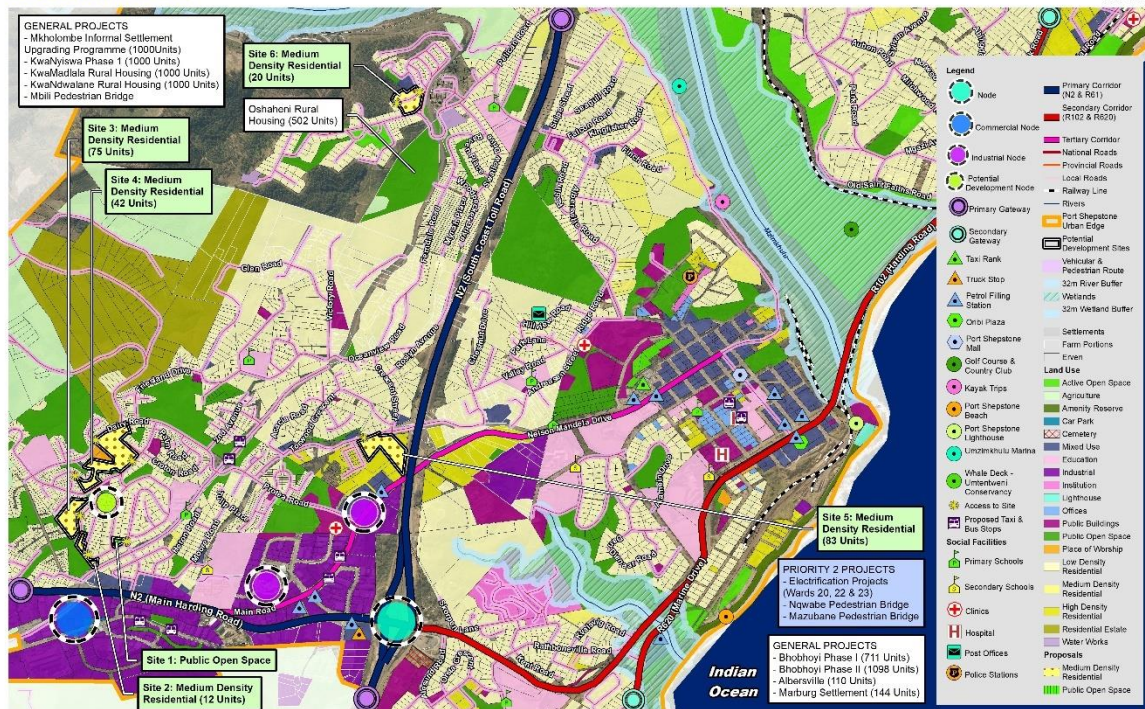


March 2022

Source: Ray Nkonyeni Local Municipality | Ugu District Municipality | Department of Human Settlements | HDA | Department of Transport | Municipal Demarcation Board | Statistics SA | Department of Education | Department of Co-operative Governance and Traditional Affairs | Eskom

**PREPARATION OF DEVELOPMENT PLANS FOR PHSDA (PRIORITY HUMAN SETTLEMENTS AND HOUSING DEVELOPMENT AREAS)  
WITHIN RAY NKONYENI LOCAL MUNICIPALITY - PORT SHEPSTONE**  
**IMPLEMENTATION PLAN**

1:17 500



March 2022

Source: Ray Nkonyeni Local Municipality | Ugu District Municipality | Department of Human Settlements | HDA | Department of Transport | Municipal Demarcation Board | Statistics SA | Department of Education | Department of Co-operative Governance and Traditional Affairs | Eskom

b) Cluster 4: Gamalakhe Nositha

This area which starts at P200/Ray Nkonyeni Road intersection towards Gamalakhe township. In Ward 26 to include Thembalihle, Mpovuza area towards Masimula area. In Ward 25 to include Masimula area. Wards 5, 27 and 28 areas included up till intersection of Oatlands and Nositha Road coming east towards P200. Oatlands Road and P200 intersection back to Ray Nkonyeni/P200 intersection.

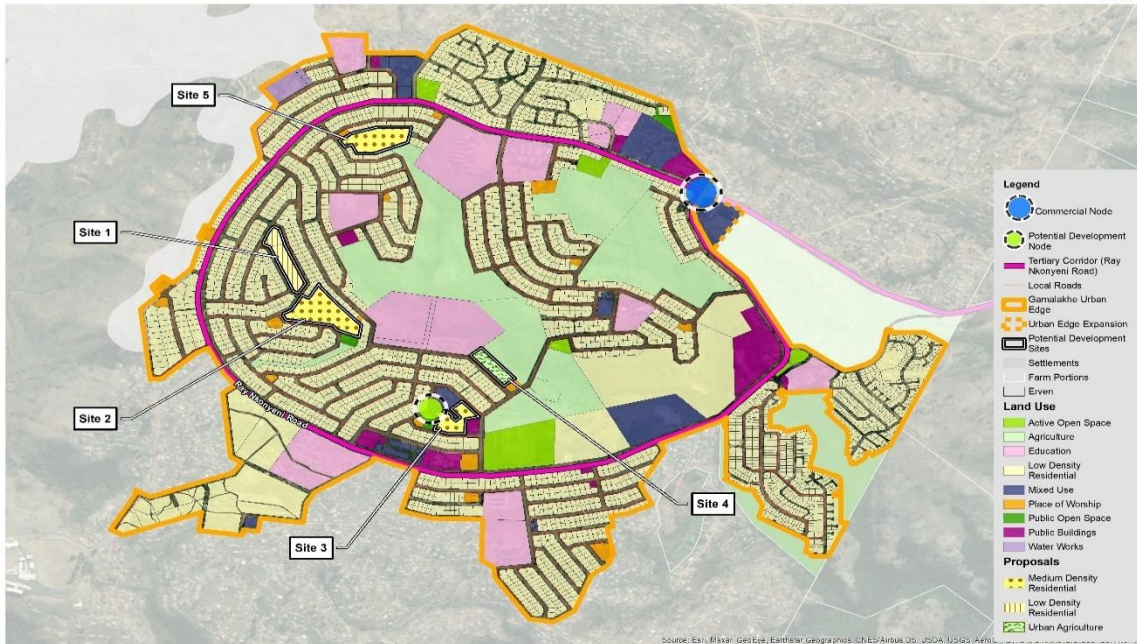


**SITES / LAND PARCELS IDENTIFIED**

- i. Erf 1595 Gamalakhe A & Erf 1596 Gamalakhe A
- ii. Erf 1791 Gamalakhe A & Portion 2 of Erf 1781 Gamalakhe A
- iii. Erf 458 Gamalakhe A & Portion of Erf 2044 Gamalakhe A
- iv. Erf 969 Gamalakhe A
- v. Erf 993 Gamalakhe A

**PREPARATION OF DEVELOPMENT PLANS FOR PHSDA (PRIORITY HUMAN SETTLEMENTS AND HOUSING DEVELOPMENT AREAS)  
WITHIN RAY NKONYENI LOCAL MUNICIPALITY - GAMALAKHE NOSITHA**  
**LAND USE PROPOSALS PLAN**

1:11 000

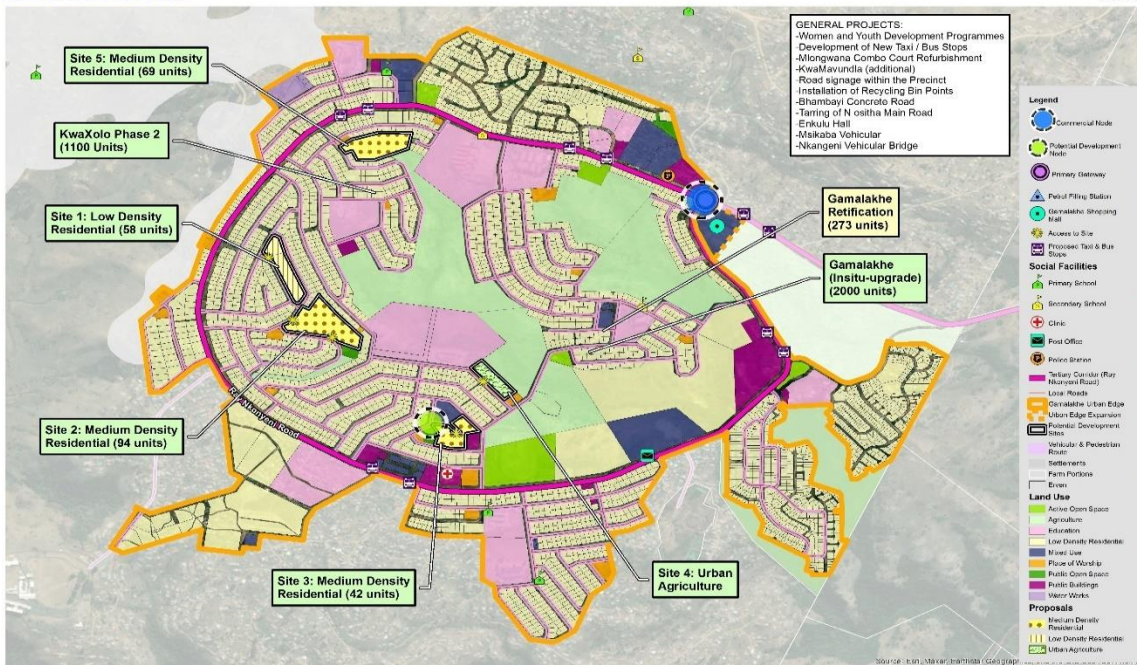


March 2022

Source: Ray Nkonyeni Local Municipality | Ugu District Municipality | Department of Human Settlements | HDA | Department of Transport | Municipal Demarcation Board | Statistics SA | Department of Education | Department of Co-operative Governance and Traditional Affairs | Eskom

**PREPARATION OF DEVELOPMENT PLANS FOR PHSDA (PRIORITY HUMAN SETTLEMENTS AND HOUSING DEVELOPMENT AREAS)  
WITHIN RAY NKONYENI LOCAL MUNICIPALITY - GAMALAKHE NOSITHA**  
**IMPLEMENTATION PLAN**

1:11 000



March 2022

Source: Ray Nkonyeni Local Municipality | Ugu District Municipality | Department of Human Settlements | HDA | Department of Transport | Municipal Demarcation Board | Statistics SA | Department of Education | Department of Co-operative Governance and Traditional Affairs | Eskom

c) Uvongo-Margate PHDA

This area is bounded on the East by the Provincial Road Marine Drive, Uvongo river on the North and using Masinenge west boundary as its Northwest and Western boundary and Westgate and Sea Slope Roads as its Southwest and South boundary. It includes Ward 19 and 3.



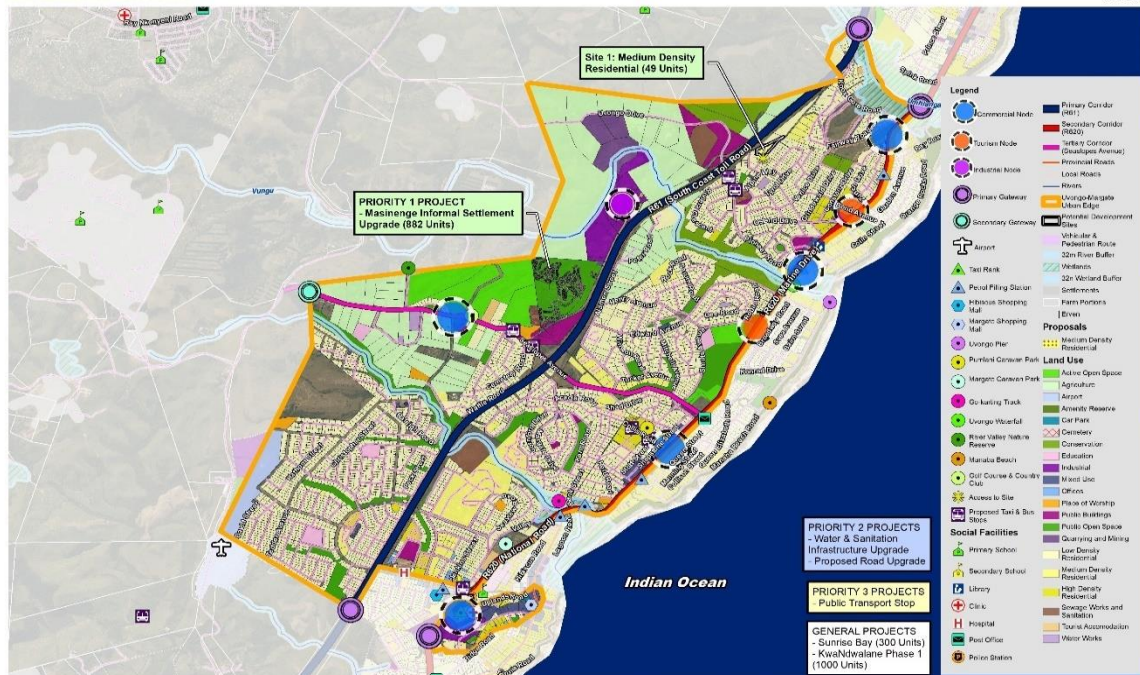
## SITES / LAND PARCELS IDENTIFIED

- i. Erf 1675 Uvongo Ext 2 (site 1)-medium Density Residential



**PREPARATION OF DEVELOPMENT PLANS FOR PHSDA (PRIORITY HUMAN SETTLEMENTS AND HOUSING DEVELOPMENT AREAS) WITHIN RAY NKONYENI LOCAL MUNICIPALITY - UVONGO-MARGATE IMPLEMENTATION PLAN**

1:28 000

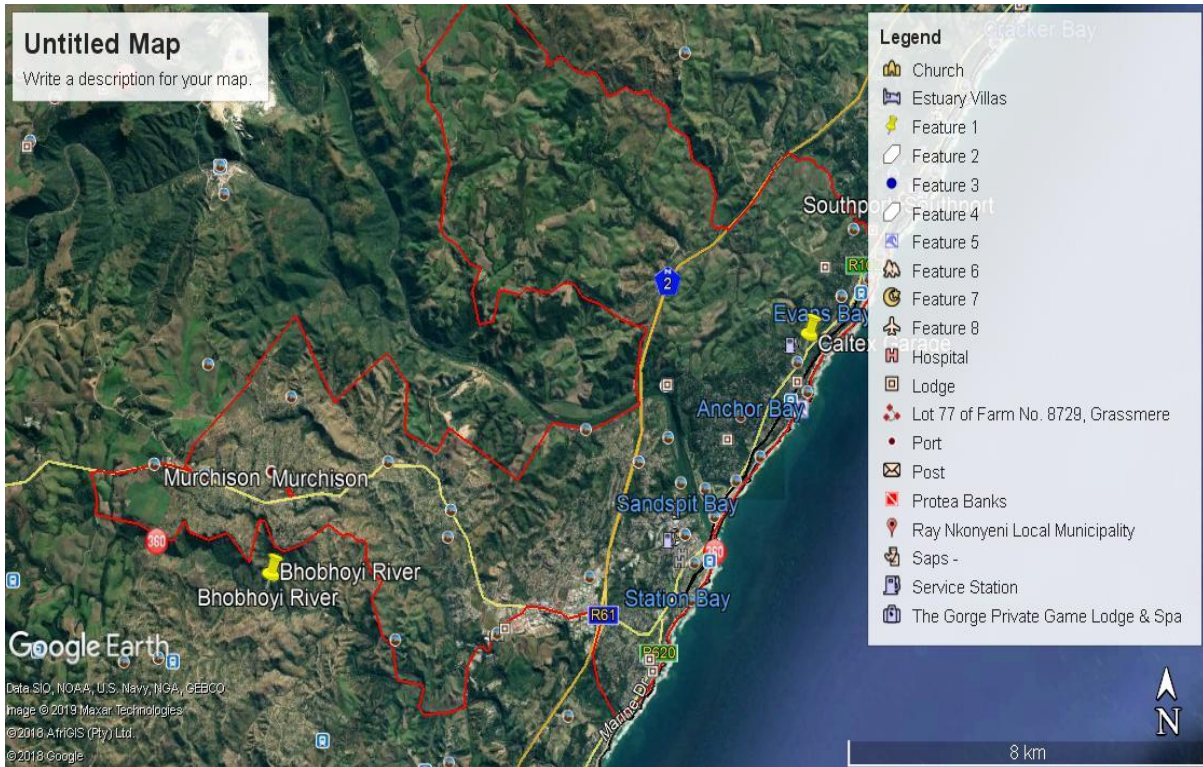


March 2022

Source: Ray Nkonyeni Local Municipality | Ugu District Municipality | Department of Human Settlements | HDA | Department of Transport | Municipal Demarcation Board | Statistics SA | Department of Education | Department of Co-operative Governance and Traditional Affairs | Eskom

**d) Shelly Beach PHDA**

This area is bounded on the North by the Bhoiboyi river until it abuts P200 on the Northwest, then moves Southwest through P200 until the intersection with Izotsha Road. Then it moves on Izotsha Road towards South Coast Mall as its Western and Southwest boundary until it intersect with Marine Drive. On the Eastern side, it then moves North on Marine Drive until Somers Road and moves East towards the Beach and joins the Bhoiboyi river mouth on the North. It is part of Ward 3.



**SITES / LAND PARCELS IDENTIFIED**

- i. Erf 1564 Social Housing – Shelly Beach
- ii. Site 2 Erf 505 Shelly Beach
- iii. Portion 3 of Erf 2094 Shelly Beach for Medium Density Residential





**PREPARATION OF DEVELOPMENT PLANS FOR PHSDA (PRIORITY HUMAN SETTLEMENTS AND HOUSING DEVELOPMENT AREAS) WITHIN RAY NKONYENI LOCAL MUNICIPALITY - SHELLY BEACH IMPLEMENTATION PLAN**



#### 4.5 CLIMATE CHANGE – CONSEQUENCES FOR HUMAN SETTLEMENTS

The Municipal area is diverse not just in terms of population and biodiversity, but also in terms of its human settlements. Urban rural and costal human settlements face environmental and social challenges. The projected impacts of climate change on settlements are complex and diverse.

##### Some key impacts on human settlements

Climate Change Phenomenon	Consequences for Human Settlements
Heat waves and drought	Increase water demand, water quality problems, increase risk of heat related mortality especially for the elderly, chronic sick for young and poor, reduction in quality of life for people without appropriate housing
Intense precipitation events and severe storms	Adverse effects on quality of surface and ground water, contamination of water supply, Increase risk of death, injury, loss of property, and diseases. Displacement of families and migration to urban areas. Pressure on urban and rural

	infrastructure, disruption of water supplies including transportation.
Sea level rise and storm surges	Decrease in freshwater availability due to salt –water intrusion. Loss of property and livelihood, and challenges with risk cover to property.

### Impact on Urban Settlements

Increased risk of lack of water delivery as a result of increased demand because of higher temperatures and drying conditions. Increased population size in urban and peri-urban areas, leading to increased pressure on service delivery and competition for resources, as a result of migration from rural areas affected by climate change. Increased disruptions to transport infrastructure (roads, rails, bridges, airports,) as a result of extreme weather events. Increased risk of extreme weather events to already vulnerable informal settlements, that are often unplanned, and without extensive service or infrastructure.

### Impact on Rural Settlements

Reduced productivity of subsistence farmlands as a result of rising temperatures, unreliable rainfall, and water scarcity. Increased vulnerability to water shortages because of increased evaporation, changes in rainfall, damage to infrastructure from floods and storm surges, and reduction in groundwater recharge. Reduced availability of natural resources on which many rural communities depend, because of diminished biodiversity in already degraded ecosystems. Physical isolation of rural communities as a result poor rural roads and increased flooding and erosion. Reduced food security, particularly of subsistence farmers, and resultant increase in malnutrition. Increased migration from rural settlements to urban and peri-urban settlements

### Impact on Coastal Settlements

Increased loss of property and damage to infrastructure. Increased disruptions to basic services as increasing groundwater salinity accelerates leeching of toxins from landfills threatening drinking water, and rising seas and storm surges result in backwash” though sewage and wastewater systems causing damage and hazardous pollution. Increased groundwater salinity threatening smallholder and families who depend on vulnerable aquifers for irrigation of coastal

farmlands. Reduced income from tourism as a result of reduced marine recreational opportunities and increased impact on tourism supporting infrastructure, such as beach access roads.

#### Impact on Human Migration and Conflict

Large flows of people both from rural areas to urban, and between urban (or peri-urban) areas. Climate-related food insecurity, service incapacity, extreme weather events and water security could lead to increased migration. Migration is likely to be experienced from both other Municipal areas and Provinces. Climate change will accentuate the existing trend towards urbanization due to the negative impacts of climate change on rural livelihoods. Increased costs of water, liquid fuels and electricity as industry inputs

***Therefore, spatial planning, design and funding for Human Settlement Programmes & Projects should be guided by environmental constraints created by climate change.***

#### **4.6.1 MUNICIPAL SOCIAL HOUSING PROGRAMME**

The National Social Housing Programme primary objective is to spatially transform South African urban centres to create greater economic, integration and provide access to low and moderate incomes to areas of urban space from which they were previously excluded. It is also to provide low-moderate income household's easier access to the socio- economic resources of development to towns and cities by the provision of good quality well managed formal rental housing stock that is affordable to households.

The task of the Municipality in ensuring the Social Housing Programme achieve their socio - economic and spatial restructuring objectives, by ensuring the release of appropriate land and buildings in the right location and at the right price or rental to ensure sustainable properties to accredited delivery agents. Municipalities must ensure by making land and buildings to housing delivery agents is used for the intended purpose in the longer term, .i.e. the provision of well-located and managed rental housing stock which are affordable to low and moderate income earners;.

***The Municipal Council of RNM approved its Municipal Social Housing Policy which has taken the following into consideration:***

#### RESTRUCTURING ZONES (AREA BASE)

The Municipality is to have an approved restructuring zone that will facilitate the provision of Social Housing for its citizens who are in need of rental housing opportunities within its area of jurisdiction.

#### RENTAL HOUSING NEED / DEMAND

The Municipality determines its housing need for Social Rental Housing by means of the National Housing Needs Register or a Demand Survey. The implementation of this programme will be based on a clear understanding of the target market that is in need of rental accommodation.

#### DEVELOPABLE LAND and unused buildings

The Municipality undertakes to identify vacant developable land or unused building within the approved Restructuring Zones and to be sold or leased following the conditions as per the Municipal Policy on the Management and Disposal of Immovable Properties to Social Housing Institutions or Housing Delivery Agents for Social Rental Housing.

#### MUNICIPAL REBATES OR OTHER FORM OF INCENTIVIES

On vacant developable land being sold or leased to Social Housing Institutions or Housing Delivery Agents that the Municipality undertakes to provide rebates or other form of incentives to such Institutions, e.g. planning fees, building approval fees, inspection fees, and rates to ensure sustainability of the delivery Institutions.

#### LAND DISPOSAL TO SOCIAL HOUSING INSTITUTIONS OR HOUSING DELIVERY AGENTS

The Municipality undertakes to dispose of its developable land within the Restructuring Zones to Social Housing Institutions or Housing Delivery Agents who are on the Municipal Data Base for Social Housing Institutions either through:

#### FREEHOLD

Being outright transfer of ownership following the conditions of the Municipal Policy on the Management and Disposal of Immovable Properties, or

## LEASE HOLD

In compliance with Council's approved Policy on the Management and disposal of Immovable Properties on lease agreement of more than 9 years, that consideration should be given for long term lease of a minimum of 30 years for Social Housing Institutions or Housing Delivery Agent as per the requirements of the Social Housing Regulatory Authority, with prior written approval being obtain from the Municipal Council in the form of a resolution.

## Provision of bulk infrastructure services for social housing development

Ugu District Municipality is both the water services authority and provider within the Municipal area. That UGU District Municipality undertakes to provide bulk infrastructure services (water and sanitation) to the various land parcels identified for Social Rental Housing within the approved Restructuring Zones.

## ESTABLISHMENT OF A DATA BASE FOR SOCIAL HOUSING INSTITUTIONS

The Municipality undertakes to establish a Data Base for Accredited Social Housing Institutions / Housing Delivery Agents by calling for expression of interest from accredited Social Housing Institutions through its Supply Chain Management processes.

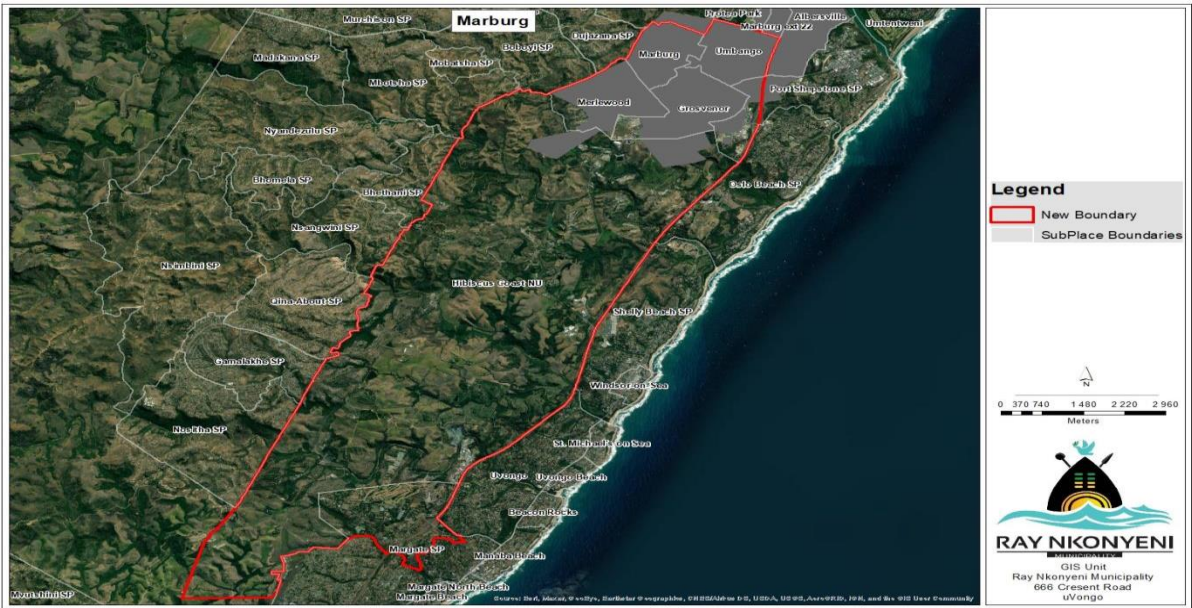
## Appointments of social HOUSING INSTITUTIONS or HOUSING DELIVERY AGENTS.

That the Municipality undertakes to appoint Social Housing Institutions or Housing Delivery Agents from its approved Data Base. Land parcels / unused Buildings identified within the Restructuring Zones be allocated to such delivery Institutions following Municipal Council process and regulations.

## SOCIAL HOUSING: RESTRUCTURING ZONES

The Municipal Council granted approval for the extended boundary demarcation regarding the already approved Restructuring Zones of Marburg, Protea Park and Uvongo. The extended boundaries will now include areas such as:

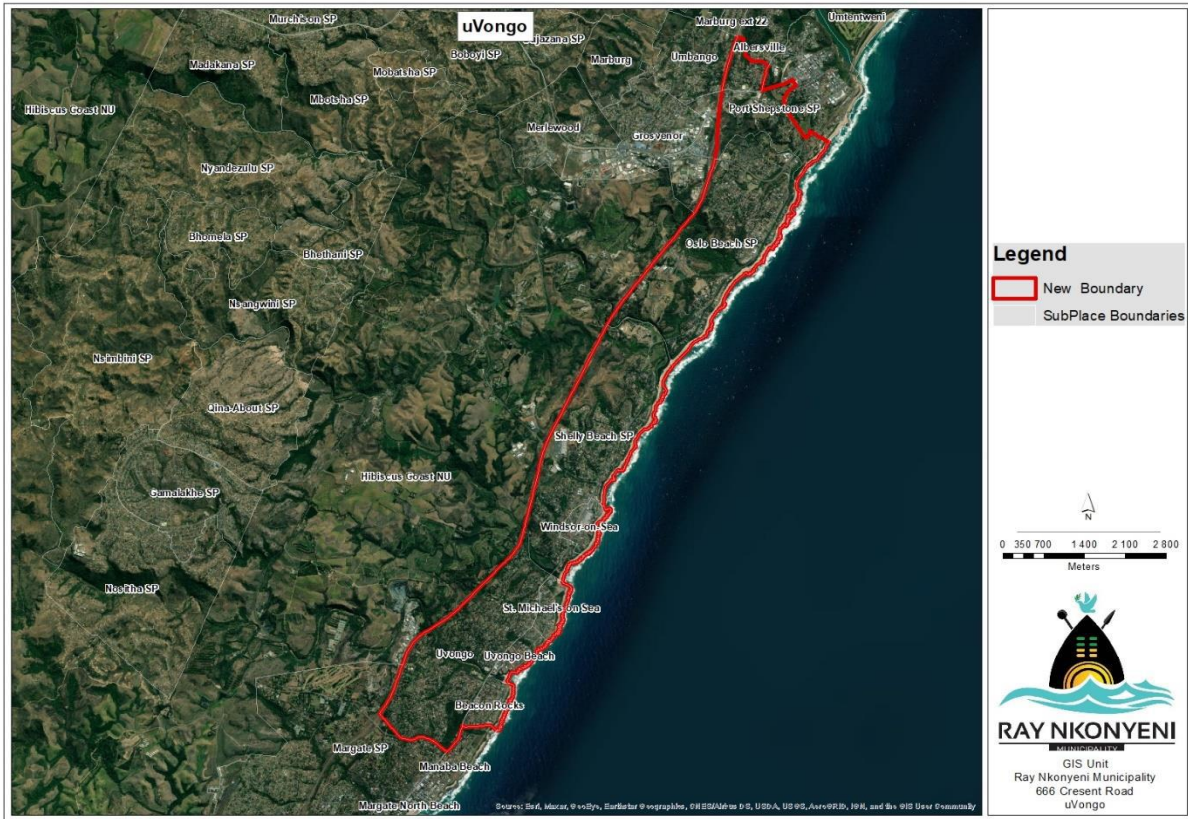
- **Marburg:** uMbango, Marburg, Merlewood, Portion of Port Shepstone, portion of Margate and non- urban areas.
- **Protea Park:** Albersville, Umtentweni, Port Shepstone CDB, and Sea Park.
- **uVongo:** Portion of Port Shepstone, Oslo Beach, Shelly Beach and uVongo.



Municipal Restructuring Zones (Marburg)



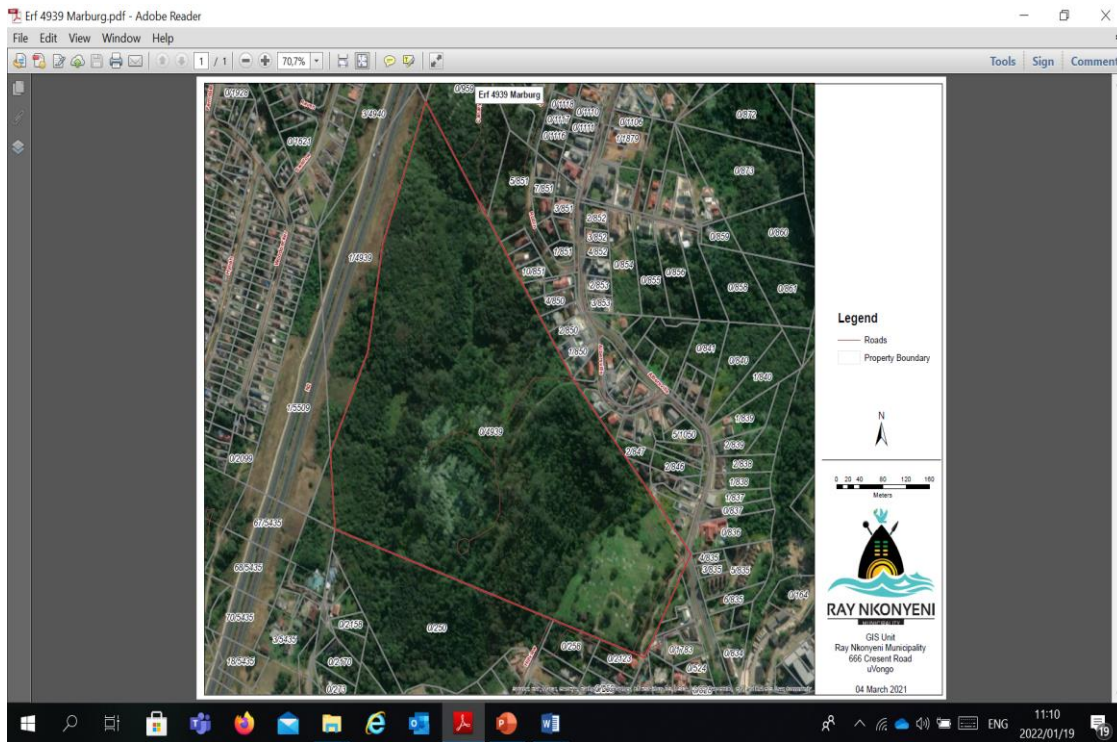
- Municipal Restructuring Zones Protea Park)



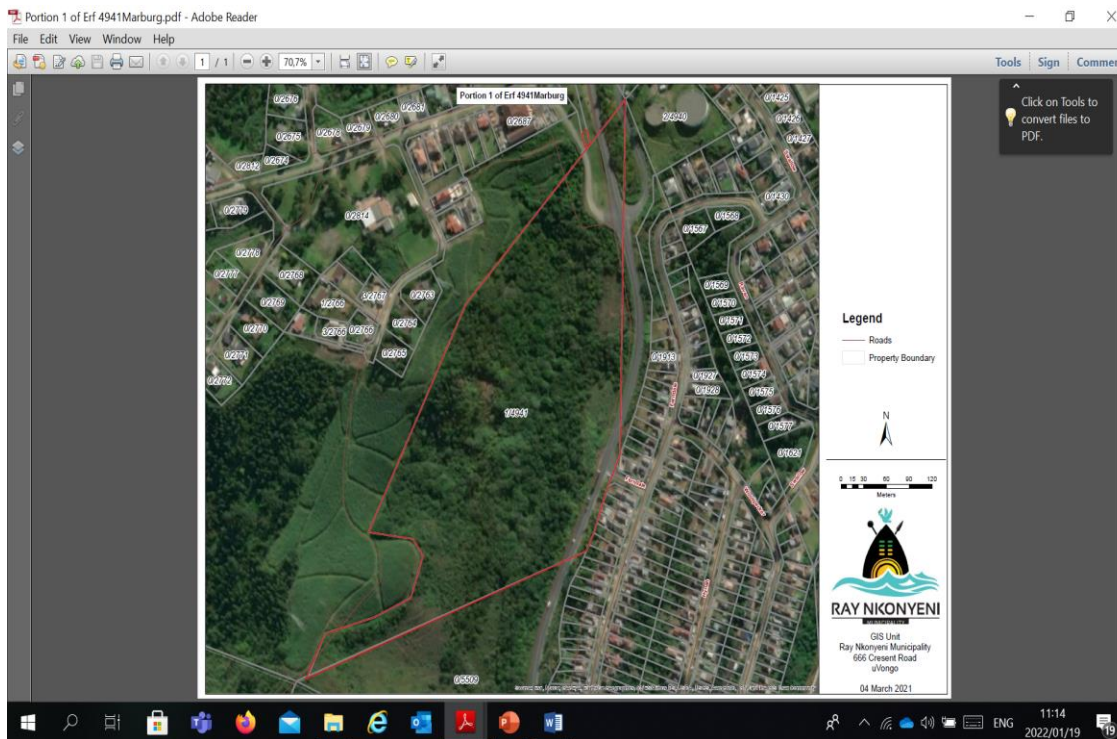
**- Municipal Restructuring Zones (Uvongo)**

**The following sites were identified for Social Housing (Rental) within the 5 year Provincial Department of Human Settlements Roll Out Programme:**

PROPERTY DESCRIPTION	EXTENT	CURRENT ZONING	INTENDED REZONING	POTENTIAL YIELD
Lot 26 of 4939 , Marburg	24.264 ha	Residential only 5	Residential High Impact 3	1213 units
Lot 29 of 4941, Marburg	11,234 ha	Residential only 5	Residential High Impact 3	936 units
Erf 1675. Uvongo	1.4925 ha	Residential only 5	Residential High Impact 3	124 units
Total				2273 housing opportunities

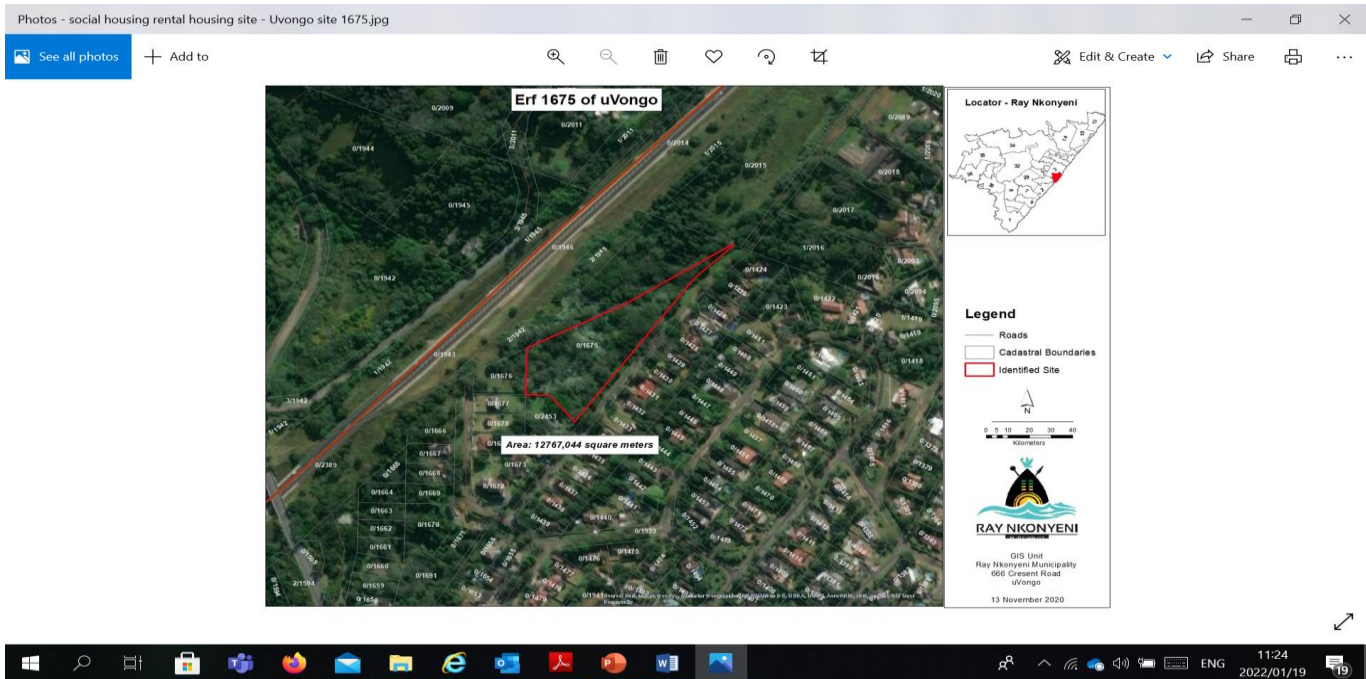


Social Rental Housing: Marburg site (Lot 26 of 4939)



Map29- Social Rental Housing: Marburg site (Lot 29 of 4941)

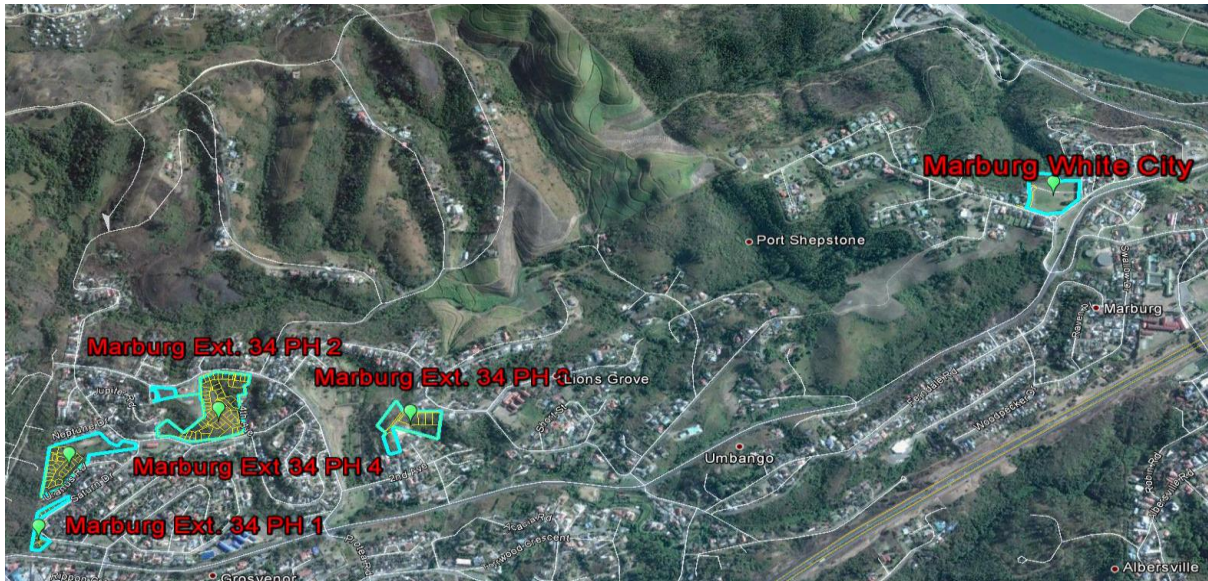




**Social Rental Housing: (Uvongo 1675)**

**The following sites were identified for Social Housing (Rental / other) on Municipal Owned Properties with an Appointed Implementing Agent**

1. PROTEA PARK (WHITE CITY) – RESTRUCTURING ZONE		
2. AREA	3. PROPERTY DESCRIPTION	4. POTENTIAL YIELD
5. ERF 2686	6. Marburg (Area 1)	7. 150 units
8. Erven 2560-2564	9. Area 2A	10. 15 units
11. Erven 2565-2625	12. Area 2B	13. 166 units
14. Erven Remainder of 2377, 2439 and PTs 0-6 of 2440	15. Area 3A	16. 257 units
17. Erven 2514 -2537, Marburg (Merlewood)	18. Area 4	19. 120 units
20. Ervens 2542 – 2549, Marburg (Merlewood )	21. Area 5	22. 55 units
23.	24.	25.



### Social Rental Housing and FLIP Housing – Identified areas /sites

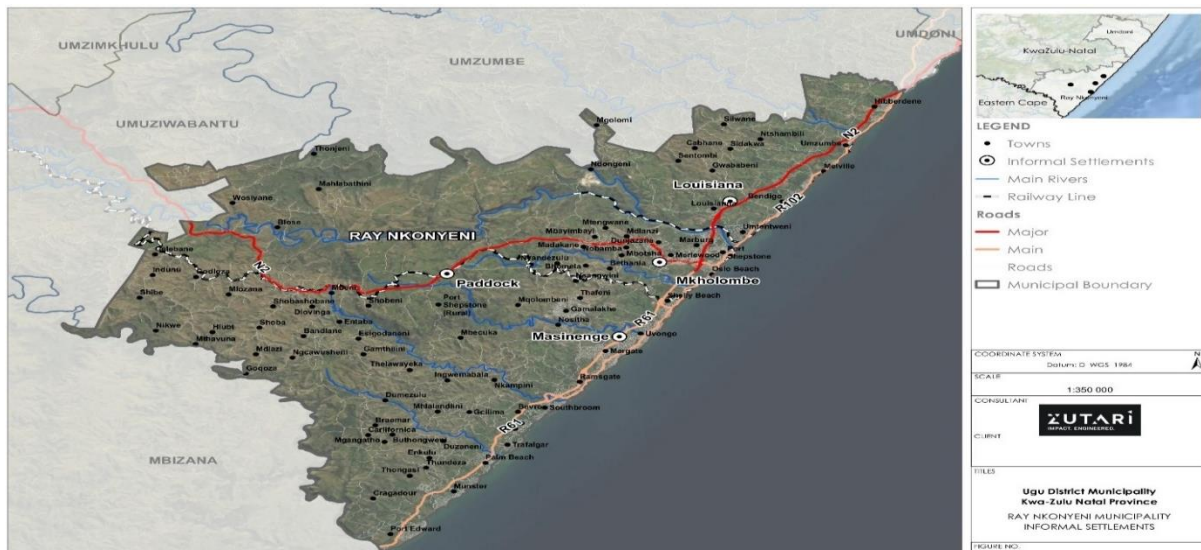
#### 4.7 MUNICIPAL INFORMAL SETTLEMENT UPGRADING / RELOCATION PROGRAMME

Conventional informal settlements ('in-situ) upgrading entails the re-development of an informal settlement in a comprehensive and relatively complete fashion in respect of housing, tenure and infrastructural services. Relocations may affect only a portion of settlements or the entire settlements and may be temporary (e.g. to a temporary relocation area) or permanent (i.e. to another green-fields project site). Whilst temporary relocations of the settlement may be inevitable, and permanent relocations of some residents might also be inevitable, the relocation of entire settlements, should be undertaken as a last resort and in special circumstances (e.g. material health and safety risks to residents) given the significant negative impact on residents typically flow from such wholesale relocations.

The table below outlines the informal settlements in the RNM, together with the total area and estimated number of structures. The actual number of structures was based on fieldwork exercise that was undertaken.

MUNICIPALITY	SETTLEMENT NAME	AREA (HA)	STRUCTURES (RFQ ESTIMATE)	STRUCTURES (ACTUAL)*
Ray Nkonyeni	Louisiana	7,60	190	416
	Masinenge	14,76	650	1 557
	Mkholombe	33,78	939	2 400
	Paddock	0,93	51	101
<b>SUBTOTAL</b>		<b>57,07</b>	<b>1 830</b>	<b>4 474</b>

\* Actual number of structures based on fieldwork.



### MAP- location of informal settlements within RNM

In terms of the approach a set of principles for informal settlement upgrading was developed as part of the National Upgrading Settlement Programme (NUSP). These principles are aligned with the intent of the NDoHS to facilitate the Structured Upgrading of Informal Settlements focusing on Sustainable Human Settlements, and the need for In-Situ Upgrading Strategies. The principles outlined are as follows:

- Sense of place: Existing elements of community organisation, such as the placement of private and semi-private space within communities.
- Integration and inclusion: Social and spatial connectivity and the building of community.
- Community involvement and engagement: Ensuring that meaningful engagement and participation takes place during the upgrading process.
- Spatial integration: The integration of informal settlements into the urban fabric.
- Practicality: Ensuring strategic development decisions and that in situ upgrading takes place when it is the most technically and socially responsible option for the communities concerned.
- Flexibility: The development of contextually appropriate strategies.
- Quality: The development of quality, sustainable upgrading solutions; and
- Efficiency: The efficient utilization of land, resources and efficient service provision to achieve maximum benefits for the urban poor across spatial and temporal scales.

### NUSP Informal Settlement Categories and summary of infrastructure response

CATEGORY	EXPLANATION
A	Full upgrade in terms of services, top structures and tenure is appropriate, affordable, and viable; i.e. where full upgrading can take place in the short term. Typically no interim service provision since full upgrading is imminent.
B1	These settlements are those which are viable for full upgrading in the longer term but where it is not imminent. Interim basic services provided as a precursor to an eventual full upgrade.
B2	This refers to settlements where long-term upgrading is not appropriate or viable, but relocation is not urgent. Interim basic services should ideally be provided until relocation can take place.
C	Informal settlements which have to be relocated as a matter of urgency because they face significant risks (health, environmental or any associated harmful situations) in their current location. No interim service provision.

### Synthesis of Informal Settlement Categorisation and Associated Response

SETTLEMENT NAME	CATEGORY	RESPONSE
Louisiana	B2	<ul style="list-style-type: none"> <li>• Site is too steep for in situ upgrade but no imminent safety threat necessitating relocation.</li> <li>• Provision of interim basic services with eventual relocation to suitable site.</li> <li>• Interim basic services upgrading plan and relocation strategy formulated.</li> </ul>
Masinenge	B1 and C	<ul style="list-style-type: none"> <li>• Some sections of the site are prone to flooding and would have to be relocated.</li> </ul>

		<ul style="list-style-type: none"> <li>• Approved layout plan for a portion of the site is already in place and construction of multi-storey units has already commenced.</li> <li>• Provision of interim basic services in developable areas as a precursor to eventual full upgrade.</li> <li>• Land for relocation of overflow households and those situated in flood prone areas is yet to be identified. A relocation strategy has been developed.</li> </ul>
<b>Mkholombe</b>	B1 and C	<ul style="list-style-type: none"> <li>• Large sections of the site are too steep for in situ upgrade or prone to flooding.</li> <li>• Approved layout plan for a portion of the site is already in place.</li> <li>• Provision of interim basic services in developable areas as a precursor to eventual full upgrade.</li> <li>• Land for relocation of overflow households and those situated in flood prone areas is yet to be identified. A relocation strategy has been developed.</li> </ul>
<b>Paddock</b>	B2	<ul style="list-style-type: none"> <li>• Site is isolated from urban fabric.</li> <li>• Provision of interim basic services with eventual relocation to suitable site.</li> <li>• Interim basic services upgrading plan formulated.</li> <li>• Land for relocation is yet to be identified. A relocation strategy has been developed.</li> </ul>

## **Schematic Infrastructure Layouts**

The two settlements that are eligible for in-situ upgrading – Masinenge and Mkholombe – have approved layout plans in place. Where in-situ upgrading is neither viable nor appropriate, relocation strategies have been developed. The engineering responses of interim basic services provision include provision of the following services:

- Communal standpipes
- Communal toilets
- Provision of septic tanks
- Provision of skip bin for solid waste

The engineering responses as part of in situ upgrading plans typically include the provision of the following services:

- Roads and associated storm water networks.
- Roads and ducts at road crossings (data and electrical sleeves);
- Water reticulation networks and water house connections.
- Foul sewer drainage networks and sewer house connections.
- Street lighting, area lighting (where applicable), electrical reticulation and electrical house connections.
- Electrical MV cabling for connection to existing MV networks surrounding the different sites;  
and
- Allowances for site clearance and bulk earthworks within road reserves.

## **Enabling Factors for Upgrading and Development**

### Land Acquisition

Land acquisition can include the purchasing of land, land swap arrangements and acquisition by means of expropriation. Regulatory processes to unlock and enable development include environmental studies (such as basic environmental screenings or full Environmental Impact Assessments (EIA)), planning approvals, land surveying and final infrastructure design and approvals.

## Infrastructure Requirements

Upgrading of an informal settlement is dependent on sufficient bulk infrastructure being available, both in terms of utilities distribution capacity (pipelines, distribution networks) and treatment capacity (water and wastewater treatment works). Without sufficient bulk capacity in place, a settlement will not be adequately serviced. As such, the following enabling elements have been identified to highlight current shortfalls in bulk capacity and what options can be pursued in the event where such bulk is currently not available.

### Enabling Factors for Development – Water

<b>WATER</b>		
<b>Current Situation</b>		
<ul style="list-style-type: none"> <li>• The rivers within the region have sufficient surplus flow to cater for the water demands for the foreseeable future. Bulk water supply and reticulation infrastructure are under pressure due to growing demand. Pipe systems are old and in need of maintenance and upgrading</li> </ul>		
<b>Bulk Infrastructure Requirements</b>		
<ul style="list-style-type: none"> <li>• It is envisaged that bulk water supply and reticulation infrastructure will need to be upgraded to cater for the demand. Old pipe systems and increasing capacity of water treatment plants will require strengthening to meet future water demand.</li> <li>• It is proposed that the following systems within RNM need strengthening:               <ul style="list-style-type: none"> <li>○ Umzimkhulu water augmentation project;</li> <li>○ Mtwalume bulk water project;</li> <li>○ South Coast Bulk pipeline;</li> <li>○ Umtamvuna bulk water project;</li> <li>○ Port Edward and Ezinqoleni; and</li> <li>○ Rural Water Supply</li> </ul> </li> </ul>		
<b>Reticulation Options</b>		
<i>Short-term</i>	<i>Medium-Term</i>	<i>Long-Term</i>
Shared standpipes	<ul style="list-style-type: none"> <li>• Sites and services (with slower take-up)</li> </ul>	Sites and services with conventional erf connections

	<ul style="list-style-type: none"> <li>Sites and services with valve restrictors</li> </ul>	
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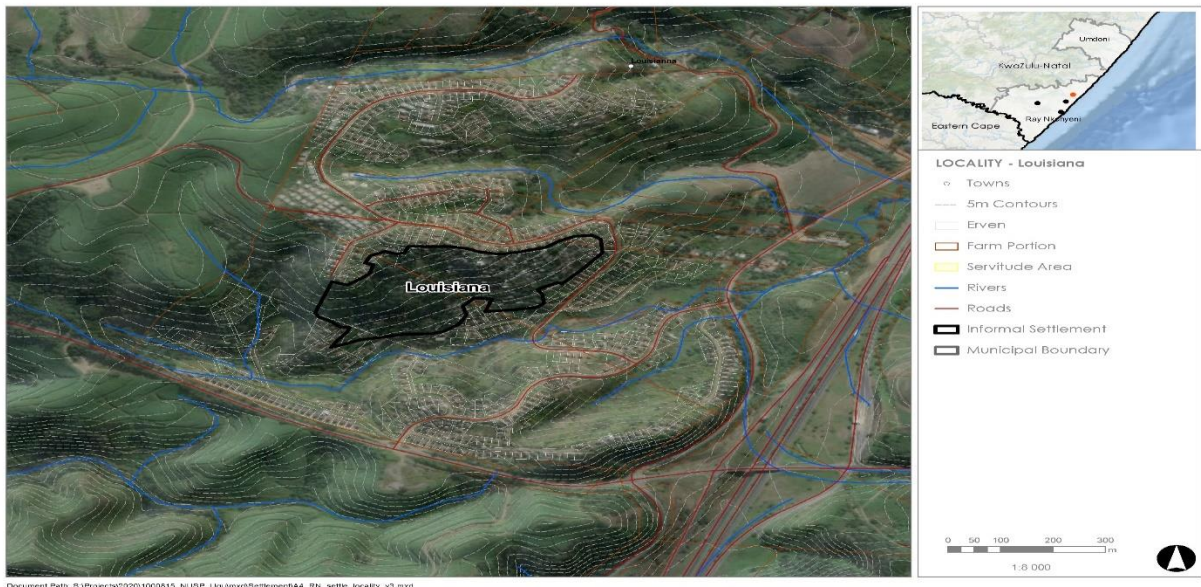
## Enabling Factors for Development – Sewer

<b>SEWER</b>		
<b>Current Situation</b>		
<ul style="list-style-type: none"> <li>There are several pump stations in the reticulated areas, whilst wastewater treatment plants are generally located in-land, off the coastal strip. Waterborne sanitation is largely confined to the coastal, densely populated areas of the Municipality. Inland and rural areas rely on rudimentary forms of sanitation such as Ventilated Improved Pits (VIPs)</li> </ul>		
<b>Bulk Infrastructure Requirements</b>		
<ul style="list-style-type: none"> <li>It is envisaged that sewer infrastructure in the urban part of the Municipality will have to be upgraded to cater for an increasing urban population. Bulk network to be extended further inland where required and in line with the Municipality’s desired future spatial form to serve the growing population</li> </ul>		
<b>Reticulation Options</b>		
<i>Short-term</i>	<i>Medium-Term</i>	<i>Long-Term</i>
Alternative sanitation options to be considered (e.g. conservancy tanks and dry sanitation options)	Connect settlements to conventional waterborne networks as sewer outfalls are upgraded	Connect all settlements as sewer outfalls and WWTW are upgraded

## PROPOSED UPGRADING PLANS WITH RELOCATION STRATEGIES



## Louisiana Informal Settlement



### Updated Aerial Image of the Louisiana Informal Settlement



**Settlement size:** 76,049.69 m<sup>2</sup> (7.60 ha)



**Number of households:** 416

### Assessment and Categorisation Synthesis

The Louisiana informal settlement is located on a very steep slope. There are no hydrological or critical biodiversity affecting or constraining the developability of the settlement. Although the settlement is considered upgradeable from a geotechnical desk study perspective, it should be noted that the shales of the Pietermaritzburg Formation on which the settlement is located are known to be unstable, particularly where the slopes face towards the east / south-east (as is the case of this site) and where cut excavations are made into the natural slope.

Approximately half of Louisiana is already zoned as residential and the other half zoned as Agriculture 1, which will necessitate partial rezoning of the land. The settlement also currently falls on land owned by Illovo Sugar SA Ltd and Ray Nkonyeni Municipality, which will impact the overall development feasibility and associated timeframes as a land acquisition process would need to be embarked upon.

The settlement is located directly adjacent a serviced area, which will allow for potential service connection. However, due to the steepness of the slope and lack of a formal/informal road network within the settlement boundary, this will likely give rise to increased costs of providing link services, reticulation services and a road network. In addition, there also currently no sewer network within the settlement or

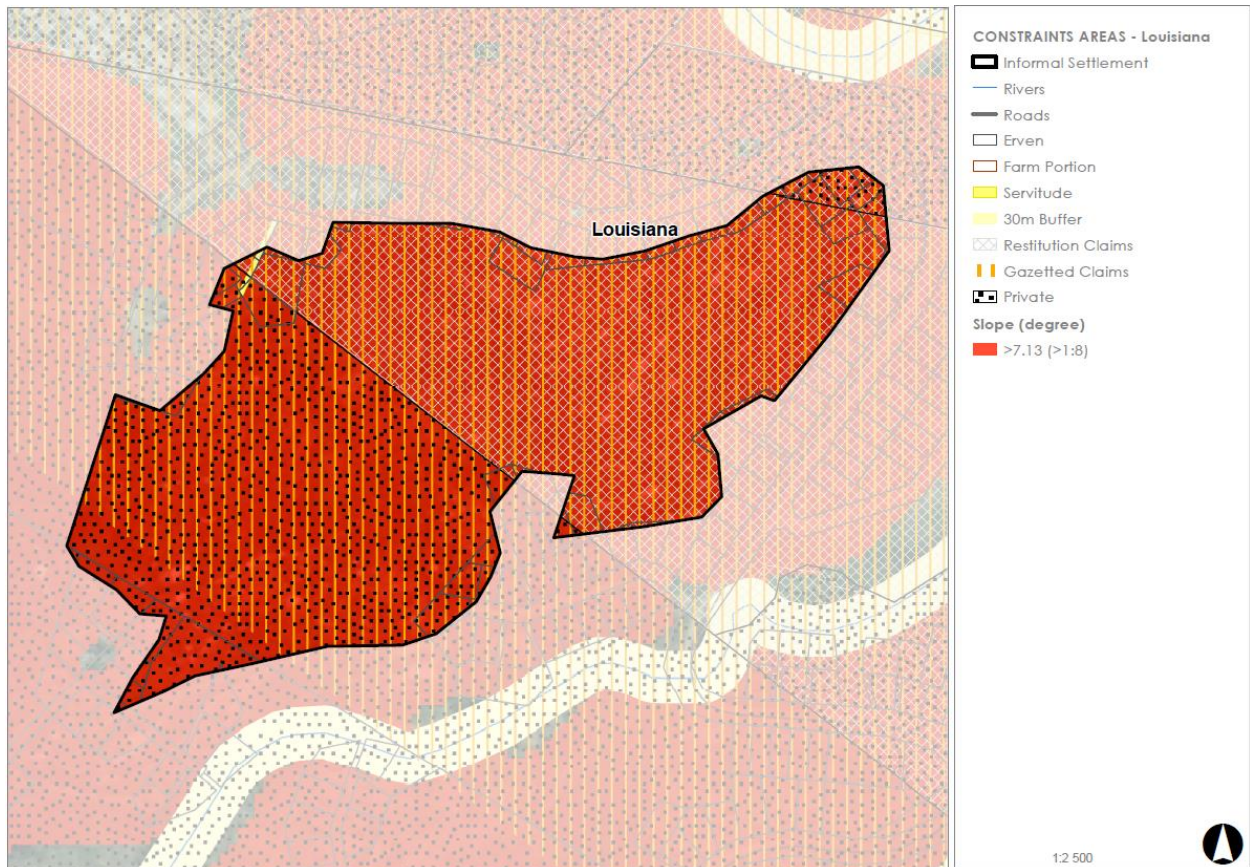
surrounding areas. This will therefore require significant investment in both bulk and reticulation infrastructure to provide connectivity.

Based on the above, the Louisiana informal settlement has been categorised as B2. The development response entails the provision of emergency basic services as an immediate response with eventual relocation to site fit for human settlement development.

<b>B2</b>
Interim basic services upgrading plan and relocation strategy to be formulated

#### Site Constraints and Developable Areas

The following map depicts the site constraints detailed above, and provide clarity on why the Louisiana informal settlement is not fit for in-situ upgrading.



#### Louisiana Informal Settlement Constrained Areas

The entire settlement is located on a very steep slope which exceeds a gradient of 1:8. While it is primarily due to the topography that the settlement is not viable for in-situ upgrading, a large portion of the settlement is located on privately owned land. Furthermore, a Gazetted land claim covers the entire extent

of the settlement, while a restitution claim covers the eastern portion of the settlement. The constraints areas (areas not fit for development) comprise 76,049.69 m<sup>2</sup>, which is 100% of the overall settlement.

### Development Need

The greater Louisiana informal settlement underwent upgrading in 2013. 697 sites were serviced with 564 housing units built. The balance of housing units (133 units) could not be constructed due to terrain difficulties. The entire settlement could therefore not be accommodated in-situ at the time, and the settlement continued to grow informally ever since. Based on the fact that the settlement is not fit for in-situ upgrading, a relocation action plan and strategy will be required to support the need for eventual full relocation of the settlement. The provision of interim basic services is proposed to support the community until relocation. Based on the household survey data collected, the settlement is home to 416 households. 416 households therefore need to be relocated to a site fit for human settlement development.

### Minimum level of service standards

Potable water: A maximum of 150 people per water point for communal water provision according to the CSIR Red Book (2019). The responsible department will be Ugu District Department of Water and Sanitation.

Sewer: A maximum of 20 people per ablution point for communal sanitation provision according to guidelines taken from The Sphere Project – Humanitarian Charter and Minimum Standards in Humanitarian Response. The responsible department will be Ugu District Department of Water and Sanitation.

#### Interim Services Construction Cost Estimate

Basic Service	Type	No.	Construction Cost
Potable water	Communal water point	8	R 750,000.00
Sewer	Ablution, basin and conservancy tank	63	R 1,890,000.00
<b>Total Estimated Cost</b>			<b>R2,640,000.00</b>

### **Site specific requirements**

The existing water main supplying the formalised houses within the vicinity of the settlement will be used to provide water for the standpipes and ablution blocks. Owing to the lack of waterborne sanitation in the area, conservancy tanks will need to be used, requiring emptying and servicing on a regular basis.

### **Relocation Strategy**

Due to environmental and land and legal constraints the settlement is deemed unfit for in-situ upgrading, and eventual relocation of all 416 enumerated households is required. As such, a relocation strategy is proposed to ensure that the informal dwellers can be moved to an alternative site which is able to accommodate all affected households. It is important to note that the settlement continues to grow, and that the number of households to be relocated will change over time.

The following high-level relocation actions is being proposed for the overflow households from Louisiana settlement.

### **Generic Relocation Strategy**

<b>PHASE</b>	<b>OUTCOMES</b>	<b>ACTIONS</b>	<b>RESPONSIBLE ENTITY</b>
Phase 1: Land availability	Determination of area/extent of land required and appropriate infrastructure level of service to be provided	<ol style="list-style-type: none"><li>1. Identify suitable land for human settlement development</li><li>2. Conduct technical assessment of identified land (site feasibility)</li><li>3. Produce proposed layout plan to determine yield</li></ol>	RNM with support from Ugu DM and KZN-DoHS
Phase 2: Community engagement	Participatory planning process and identification of willing and qualifying beneficiaries	<ol style="list-style-type: none"><li>1. Identify settlement leadership structures</li><li>2. Establish project committee which includes community leadership structure</li><li>3. Determine if residents are willing to relocate to identified land</li></ol>	RNM with support from DHS and KZN-DoHS through NUSP

PHASE	OUTCOMES	ACTIONS	RESPONSIBLE ENTITY
		4. Determine number of beneficiaries to be relocated	
Phase 3: Relocation preparation/development	Council approval to acquire/release land and securing of finance	<ol style="list-style-type: none"> <li>1. Identify suitable finance mechanism(s)</li> <li>2. Secure funding</li> <li>3. Commence land acquisition if needed</li> <li>4. Finalise layout plan in consultation with community.</li> <li>5. Obtain statutory approvals (environmental and town planning)</li> <li>6. Develop contingency plans for residents that cannot be relocated.</li> <li>7. Develop land in line with approved layout plan (including installation of services; transfer of stands; <i>optional development of top structures</i>)</li> </ol>	KZN-DoHS in collaboration with RNM, Ugu DM, Eskom through NUSP

PHASE	OUTCOMES	ACTIONS	RESPONSIBLE ENTITY
Phase 4: Allocation of beneficiaries	Relocation of beneficiaries to new development	<ol style="list-style-type: none"> <li>1. Allocate stands/ houses to qualifying beneficiaries based on Housing Needs Register</li> <li>2. Provide relocation assistance (transportation, relocation kits (if applicable), social service support, sustenance)</li> <li>3. <i>Provide emergency assistance at transit site to households who cannot be moved to developed land</i></li> </ol>	RNM with support from KZN-DoHS
Phase 5: Risk mitigation	Ensure that invaded land/ settlement is not reoccupied	<ol style="list-style-type: none"> <li>1. Remove informal structure as soon as household is relocated.</li> <li>2. Fence off land and install lighting and signage as a deterrent to re-occupation.</li> <li>3. Activate land as per intended land use where feasible.</li> <li>4. Commence/ continue land invasion monitoring.</li> </ol>	RNM

## 1.1 Masinenge Informal Settlement



### Updated Aerial Image of the Masinenge Informal Settlement



**Settlement size:** 147,559.37 m<sup>2</sup> (14.76 ha)



**Number of households:** 1 557

### Assessment and Categorisation Synthesis

The Masinenge informal settlement is located on a fairly gradual slope which results in areas of the settlement that are developable and areas of the settlement which are not developable. There is a watercourse to the north of the settlement and a small area of Irreplaceable Critical Biodiversity Area in the south of the settlement. The existence of the watercourse and the Irreplaceable Critical Biodiversity Area poses development restrictions. There is also a servitude which runs along the eastern boundary of the settlement which also poses further development restrictions. The settlement is located on land owned by the Department of Education and is to be transferred to the Municipality. The settlement is located directly adjacent to a serviced area, as well as ongoing housing projects, which allows for potential service connection. The existing formal road network surrounding the settlement will allow for access points to be easily upgraded. Due to the gradual slope and an informal road network found within the settlement boundary, the cost of providing link services, reticulation services and a road network will be relatively low. An approved layout plan exists for the Masinenge informal settlement.

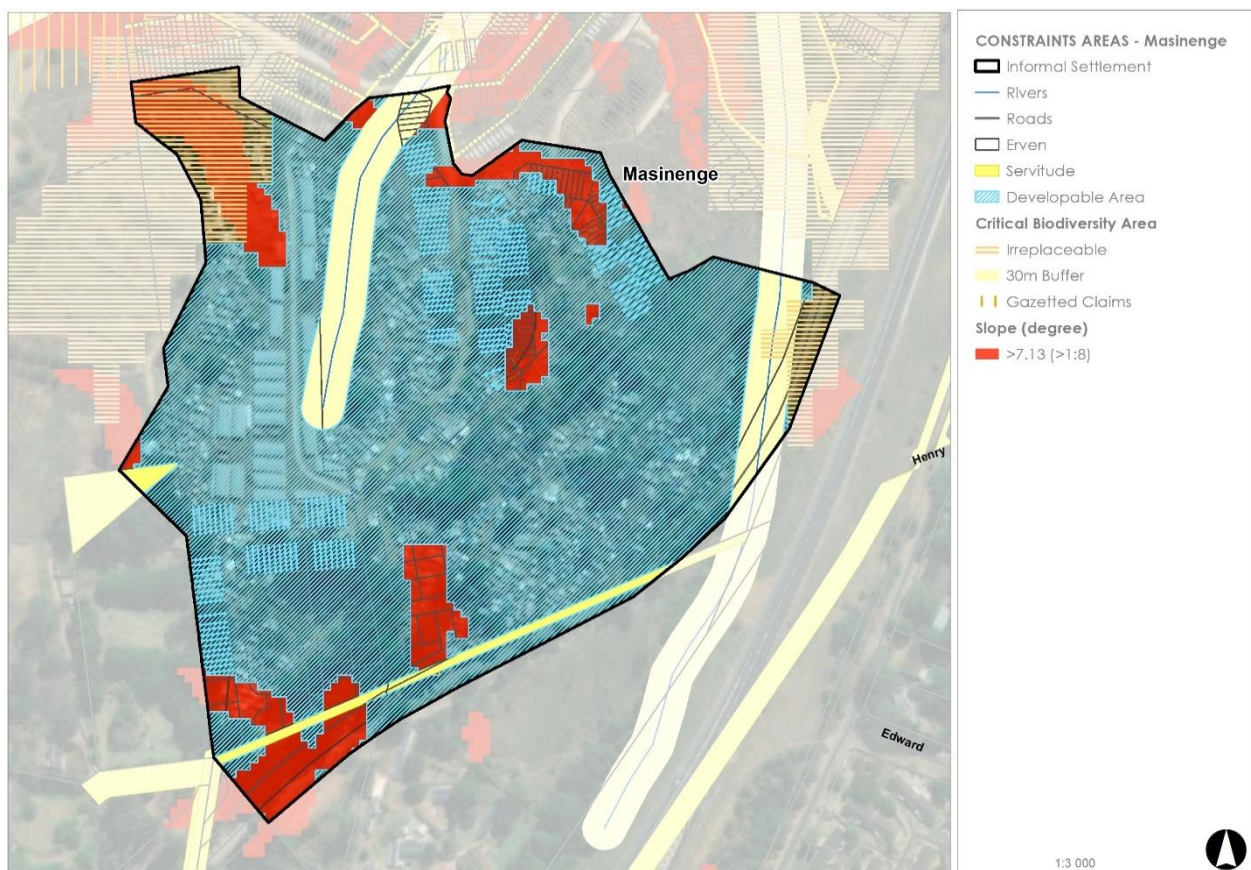
Based on the above, the Masinenge informal settlement has been categorised as B1 and C. The development response entails the provision of interim basic services as a precursor to an eventual full upgrade in developable areas in line with the approved layout plan which is already in place, coupled

with the urgent relocation of households from flood prone areas. If possible, these households should be accommodated within the upgraded Masinenge township. Alternatively, a suitable relocation site should be identified.

<b>B1 and C</b>
In situ upgrade for areas that are developable, in line with approved layout plan.
Relocation strategy to be developed to cater for households in flood prone areas (preferably insitu, else on alternative relocation site).

**1.1.1 Site Constraints and Developable Areas**

The following maps showcase the site constraints described above, and outline the areas of the Masinenge informal settlement which are fit for human settlement development.

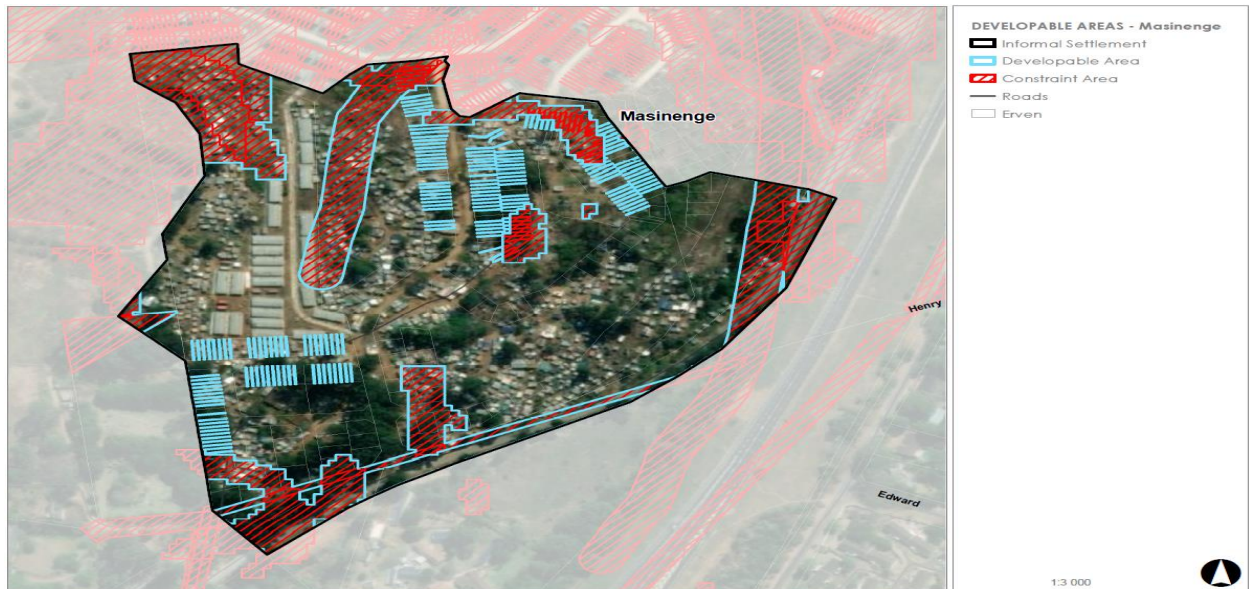


**Masinenge Informal Settlement Constraints Areas**

From the map pockets of steep topography where the gradient exceeds 1:8 pose development constraints. Moreover, the occurrence of Critical Biodiversity Areas prevents development in the north-



western and north-eastern extents of the settlement. A watercourse runs through a portion of the northern extents of the settlement; the associated 30m buffer areas restrict development. Finally, a servitude encumbers the southern extents of the settlement. The constrained areas (areas not fit for development) comprise 37,717.99 m<sup>2</sup>, which is 26% of the overall settlement. The settlement footprint is 147 559,37m<sup>2</sup> in extent. The figure below outlines the portions of the settlement which are suitable for development.



**Masinenge Informal Settlement Developable Areas**



**Approved layout plan for Masinenge**

**Development Need**

The approved in-situ upgrading layout plan provides for 882 stands . Construction of multi-storey top structures has commenced. The settlement experiences influx of informal structures in the project area.

It is to be noted that not all households can be accommodated, and that relocation of the overflow households to an alternative location would be required. Alternative land is still to be identified.

Based on the enumeration recently completed, the settlement is home to 1 557 households. Based on the current layout, a total of 882 housing opportunities will become available. These are reserved for Masinenge residents only. The overflow of approx 675 households will have to be relocated. A relocation action plan and strategy is a requirement to support the need for partial relocation of the settlement.

### **Upgrading Plan Content and Interventions**

Since an approved layout plan is already in place, no in-situ layout plan has been formulated. The approved layout plan for Masinenge provides for the following land uses:

<b>LAND USE</b>	<b>ERVEN</b>	<b>HECTARES</b>	<b>PERCENTAGE</b>
<b>Special Zone Residential (250m<sup>2</sup>)</b>	118	3.2	11.5
<b>Special Zone Residential (70m<sup>2</sup>)</b>	764	7	25.1
<b>Limited Commercial</b>	1	0.1	0.4
<b>Administration</b>	1	0.1	0.4
<b>Worship</b>	1	0.2	0.7
<b>Primary School</b>	1	3.0	10.7
<b>Creche</b>	1	0.1	0.4
<b>Public Open Space</b>	7	9.9	35.5
<b>Public Roads</b>	8	4.3	15.4
<b>TOTAL</b>	<b>902</b>	<b>27.9</b>	<b>100</b>

### **Relocation Strategy**

Partial relocation is required since not all households who reside in the settlement can be accommodated in-situ (i.e. the approved layout plan is unable to cater for the entire settlement). Suitable land for the overflow households is to be identified and secured.

## Propose - Relocation Strategy

PHASE	OUTCOMES	ACTIONS	RESPONSIBLE ENTITY
Phase 1: Land availability	Determination of area/extent of land required and appropriate infrastructure level of service to be provided.	<ol style="list-style-type: none"> <li>1. Identify suitable land for human settlement development</li> <li>2. Conduct technical assessment of identified land (site feasibility)</li> <li>3. Produce proposed layout plan to determine yield</li> </ol>	RNM with support from Ugu DM and KZN-DoHS
Phase 2: Community engagement	Participatory planning process and identification of willing and qualifying beneficiaries	<ol style="list-style-type: none"> <li>1. Identify settlement leadership structures.</li> <li>2. Establish project committee which includes community leadership structure.</li> <li>3. Determine if residents are willing to relocate to identified land.</li> <li>4. Determine number of beneficiaries to be relocated</li> </ol>	RNM with support from DHS and KZN-DoHS through NUSP
Phase 3: Relocation preparation/development	Council approval to acquire/release land and securing of finance.	<ol style="list-style-type: none"> <li>1. Identify suitable finance mechanism(s)</li> <li>2. Secure funding</li> <li>3. Commence land acquisition if needed.</li> <li>4. Finalise layout plan in consultation with community.</li> <li>5. Obtain statutory approvals (environmental and town planning)</li> <li>6. Develop contingency plans for residents that cannot be relocated.</li> </ol>	KZN-DoHS in collaboration with RNM, Ugu DM, Eskom through NUSP

PHASE	OUTCOMES	ACTIONS	RESPONSIBLE ENTITY
		<ol style="list-style-type: none"> <li>Develop land in line with approved layout plan (including installation of services; transfer of stands; <i>optional development of top structures</i>)</li> </ol>	
Phase 4: Allocation of beneficiaries	Relocation of beneficiaries to new development	<ol style="list-style-type: none"> <li>Allocate stands/ houses to qualifying beneficiaries based on Housing Needs Register</li> <li>Provide relocation assistance (transportation, relocation kits (if applicable), social service support, sustenance)</li> <li><i>Provide emergency assistance at transit site to households who cannot be moved to developed land</i></li> </ol>	RNM with support from KZN-DoHS
Phase 5: Risk mitigation	Ensure that invaded land/ settlement is not reoccupied	<ol style="list-style-type: none"> <li>Remove informal structure as soon as household is relocated</li> <li>Fence off land and install lighting and signage as a deterrent to re-occupation.</li> <li>Activate land as per intended land use where feasible.</li> <li>Commence/ continue land invasion monitoring</li> </ol>	RNM

## Mkholombe Informal Settlement



**Updated Aerial Image of the Mkholombe Informal Settlement**



**Settlement size:** 337,846.70 m<sup>2</sup> (33.78 ha)



**Number of households:** 2 400

## Assessment and Categorisation Synthesis

The Mkholombe informal settlement is located on steep slopes. Two watercourses can be found in the southern and western area of the settlement. There is also a 1:100-year floodline which is situated along the south western border of the settlement. A small area of Irreplaceable Critical Biodiversity is located in the south western area of the settlement. There are undevelopable portions of the settlement due to the floodline, watercourse buffers and the Irreplaceable Critical Biodiversity Area within Mkholombe.

Connectivity to existing bulk infrastructure is possible, however bulk infrastructure upgrading will be required. Access to the settlement is possible via a formal road. The road network has a high possibility to be upgraded as there is access to an existing network. There is an existing road network connecting the area which could potentially be used to provide connectivity to the settlement. The steepness of the slope will likely give rise to increased costs of providing link services, reticulation services and a road network.

An approved layout plan exists for the Mkholombe informal settlement.

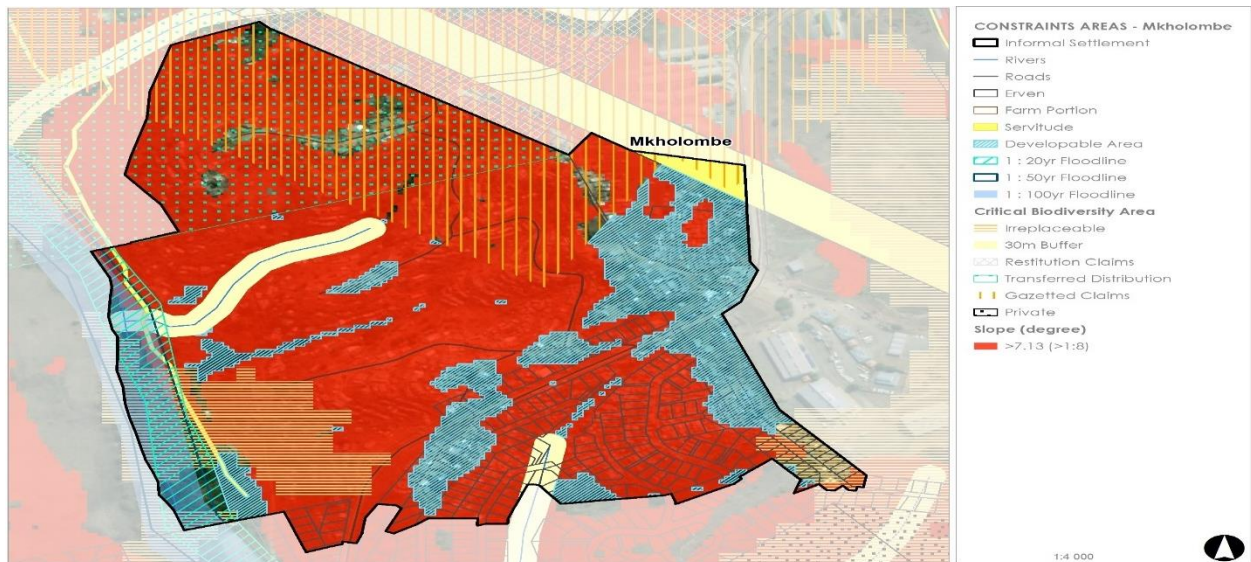
Based on the above, the Mkholombe informal settlement has been categorised as B1 and C. The development response entails the provision of interim basic services as a precursor to an eventual full upgrade in developable areas in line with the approved layout plan which is already in place, and the

urgent relocation of households from flood prone areas. Where possible, relocated households should be accommodated within the settlement footprint.

<b>B1 and C</b>
Upgrading of developable areas in line with approved layout plan.
Relocation strategy to be developed for households situated on steep slopes and otherwise undevelopable land.

**Developable Areas and Site Constraints**

The following maps depict the site constraints of the Mkhholombe settlement as well as the areas that are fit for development.

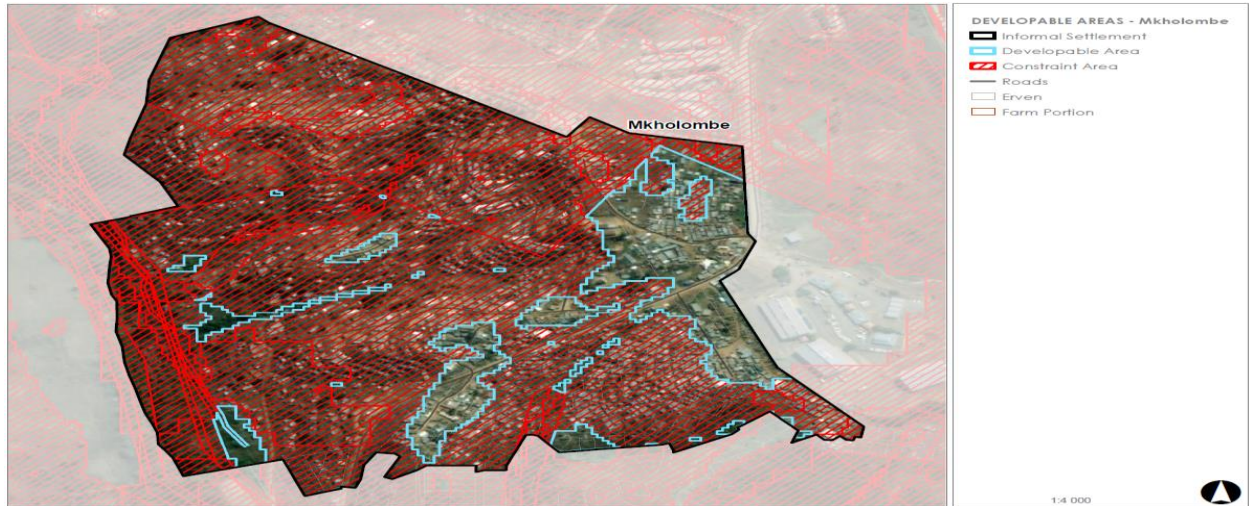


**Mkhholombe Informal Settlement Constraints Areas**

It can be gathered that a very large part of the settlement is located on steep slopes that exceed a gradient of 1:8. Critical Biodiversity Areas further limit development in the south-western and far south-eastern extents of the settlement, while a servitudes, two watercourses river tributaries (and associated 30m buffer areas) also restrict development.

Lastly, a Gazetted land claim covers the northern extent of the settlement, and a transferred distribution claim covers the northern and north-western portions of the settlement.

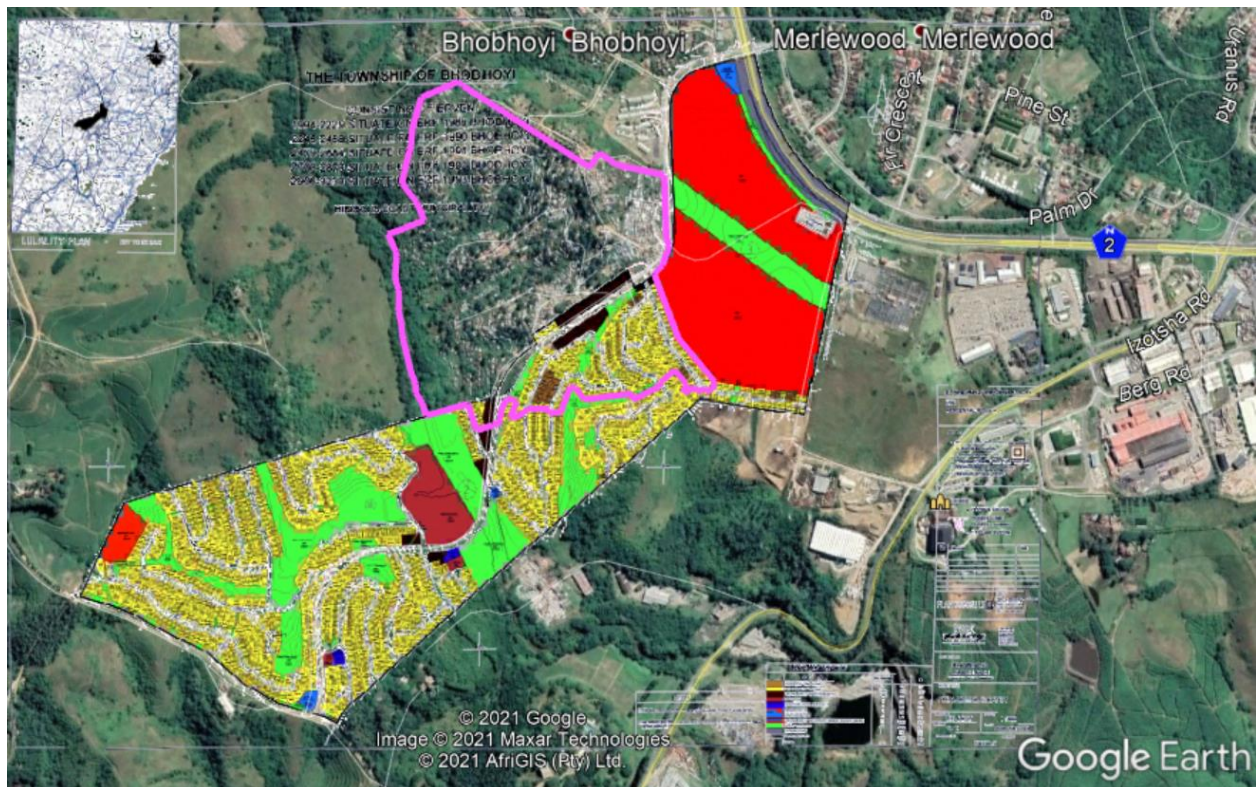
The constrained areas (areas not fit for development) comprise 285,651.52 m<sup>2</sup> – 85% of the overall settlement (which is 337,846.70 m<sup>2</sup> in extent). The map below outlines the portions of the settlement which are suitable for development.



### Mkholombe Informal Settlement Developable Areas

The Bhubhoi Phase II project covers a portion of the Mkholombe informal settlement. The approved layout plan is illustrated below, followed by an overlay to illustrate the overlap.





## Approved Layout Plan for Mkholumbe

### Development Need

An approved layout is already in place which provides for partial in-situ upgrading. According to the planning report a concept layout plan was conditionally approved in 2004. A further plan was prepared and submitted in 2005, but the project was stopped until 2008 as a consequence of, inter alia, problems with the land assembly process which resulted in an amended plan which also included an inclusionary housing component. The intention was to sell erven for a market-related fee to cross-subsidise physical project infrastructure delivery and associated costs. This concept was rejected by Council and the plan was revised once again in 2009. During this revision the need existed to identify wetland areas and wetland buffers. A detailed geotechnical evaluation was carried out to substitute the previous desktop analysis, identifying unstable slopes and areas with soil conditions not conducive to low-income housing development. This is because special design considerations and construction methods (such as the use of raft foundations) are required.

The findings of the detailed geotechnical study and wetland identification process made it apparent that there are substantial constraints. Stands on the areas deemed developable had to be reduced in order to accommodate semi-detached dwellings (single or double storey).

Other preliminary studies completed include engineering services report, land audit report and planning report. It is to be noted that the Mkholumbe informal settlement is rapidly growing.



Based on the household survey data collected, the settlement is home to 2 400 households. If Mkholombe households are only to be accommodated, the remaining 1 302 households will have to be relocated to suitable land.

A relocation action plan and strategy are required for partial relocation of the settlement. These areas are classified as C, urgent relocation. However, a destination site has not yet been identified or secured.

### **Infrastructure response**

Since an approved layout plan is in place for a portion of Mkholombe, the bulk outline scheme report and/or detailed infrastructure designs needs to be ascertained. Upon receipt, the construction cost estimate for the project area can be generated. Since urgent relocation has been proposed, the provision of interim basic services is discouraged and the focus should instead be on prioritising land identification and acquisition.

### **Upgrading Plan Content and Interventions**

Since an approved layout plan is already in place, no in-situ layout plan has been formulated. The approved layout plan for Mkholombe provides for the following land uses:

<b>LAND USE</b>	<b>ERVEN</b>	<b>HECTARES</b>	<b>PERCENTAGE</b>
<b>Residential Only 4 (180m<sup>2</sup>)</b>	26	0.50	0.7
<b>Residential Only 5 (200m<sup>2</sup>)</b>	1 028	28.52	37.7
<b>Special Zone 15 (Mixed Residential)</b>	44	1.29	1.7
<b>Education</b>	3	1.29	1.7
<b>Health and Social Services</b>	2	0.14	0.2
<b>Administration</b>	1	0.69	0.9
<b>Multi Use Retail 1</b>	3	0.40	0.5
<b>Special Zone 17 (Industrial/Commercial/Agriculture)</b>	2	15.62	20.7
<b>Public Open Space</b>	34	14.65	19.4
<b>National Road</b>	1	1.92	2.5
<b>Proposed Roads</b>		10.59	14
<b>TOTAL</b>	<b>1 144</b>	<b>75.61</b>	<b>100</b>

## Relocation Strategy

Partial relocation is required since many of the households (at least 1 302) that reside in the settlement cannot be accommodated in-situ (i.e. the approved layout plan is unable to cater for the entire settlement). Since it is an urgent relocation, the provision of interim basic services is not proposed.

Since not all of the affected households can be catered for in the current approved in-situ layout plan, strategically located land must be identified and acquired. The proposal below is recommended as a way forward.

### Generic Relocation Strategy

PHASE	OUTCOMES	ACTIONS	RESPONSIBLE ENTITY
Phase 1: Land availability	Determination of area/extent of land required and appropriate infrastructure level of service to be provided.	<ol style="list-style-type: none"> <li>1. Identify suitable land for human settlement development.</li> <li>2. Conduct technical assessment of identified land (site feasibility)</li> <li>3. Produce proposed layout plan to determine yield</li> </ol>	RNM with support from Ugu DM and KZN-DoHS
Phase 2: Community	Participatory planning process and identification of willing and qualifying beneficiaries	<ol style="list-style-type: none"> <li>1. Identify settlement leadership structures.</li> <li>2. Establish project committee which includes community leadership structure.</li> <li>3. Determine if residents are willing to relocate to identified land.</li> <li>4. Determine number of beneficiaries to be relocated</li> </ol>	RNM with support from DHS and KZN-DoHS through NUSP
Phase 3: Relocation preparation/development	Council approval to acquire/release land and securing of finance.	<ol style="list-style-type: none"> <li>1. Identify suitable finance mechanism(s)</li> <li>2. Secure funding</li> <li>3. Commence land acquisition if needed.</li> <li>4. Finalise layout plan in consultation with community.</li> </ol>	KZN-DoHS in collaboration with RNM, Ugu DM, Eskom through NUSP

PHASE	OUTCOMES	ACTIONS	RESPONSIBLE ENTITY
		<ol style="list-style-type: none"> <li>5. Obtain statutory approvals (environmental and town planning)</li> <li>6. Develop contingency plans for residents that cannot be relocated.</li> <li>7. Develop land in line with approved layout plan (including installation of services; transfer of stands; <i>optional development of top structures</i>)</li> </ol>	
Phase 4: Allocation of beneficiaries	Relocation of beneficiaries to new development	<ol style="list-style-type: none"> <li>1. Allocate stands/ houses to qualifying beneficiaries based on Housing Needs Register</li> <li>2. Provide relocation assistance (transportation, relocation kits (if applicable), social service support, sustenance)</li> <li>3. <i>Provide emergency assistance at transit site to households who cannot be moved to developed land</i></li> </ol>	RNM with support from KZN-DoHS

PHASE	OUTCOMES	ACTIONS	RESPONSIBLE ENTITY
Phase 5: Risk mitigation	Ensure that invaded land/settlement is not reoccupied.	<p>26. Remove informal structure as soon as household is relocated.</p> <p>27. Fence off land and install lighting and signage as a deterrent to re-occupation.</p> <p>28. Activate land as per intended land use where feasible.</p> <p>29. Commence/ continue land invasion monitoring</p>	RNM

### Paddock Informal Settlement



**Aerial Image of the Paddock Informal Settlement**



**Settlement size:** 9,256.18 m<sup>2</sup> (0.93 ha)



**Number of households:** 101

### Assessment and Categorisation Synthesis

The Paddock informal settlement is located in the rural agricultural region of the RNM and has inadequate access to education, healthcare and community facilities. The settlement is located on land with a gradual

slope and is not affected by any watercourses, floodlines or Critical Biodiversity Areas. There are also no servitudes affecting the settlement.

The settlement is located on land owned by Transnet Ltd which will necessitate a land acquisition process. From an access perspective, the settlement will require road link infrastructure to be upgraded, and although connectivity is possible, the design requirements of the N2 connection would need to be catered for.

There is no existing potable water or sewer network within close proximity, and the settlement is isolated from any existing electricity network. With no existing electrical network in the area, connectivity would be onerously expensive and significant investment would be required to bring potable water and sanitation to the settlement.

Based on the above, the Paddock informal settlement has been categorised as B2. Since there is no imminent danger, the development response entails the provision of interim basic services and eventual relocation to a well-located site closer to social amenities and where bulk services are available.

<b>B2</b>
Interim basic services and long term relocation. Relocation strategy to be formulated.

### **Paddock Informal Settlement Constraints Areas**

The greatest challenge is the settlement's isolated location, and the resultant lack of nearby engineering infrastructure and social amenities. The settlement is located outside the municipal urban edge, indicating that the provision of future services is unlikely

### **Development Need**

A relocation strategy is required for the entire Paddock settlement. Suitable land has to be identified and secured, it is proposed that interim basic services be installed.

### **Minimum level of service standards**

Potable water: A maximum of 150 people per water point for communal water provision according to the CSIR Red Book (2019). The responsible department will be Ugu District Department of Water and Sanitation.

Sewer: A maximum of 20 people per ablution point for communal sanitation provision according to guidelines taken from The Sphere Project – Humanitarian Charter and Minimum Standards in Humanitarian Response. The responsible department will be Ugu District Department of Water and Sanitation.

<b>Interim Services Construction Cost Estimate</b>			
<b>Basic Service</b>	<b>Type</b>	<b>No.</b>	<b>Construction Cost</b>
Potable water	Communal water point	3	R 450,000.00
Sewer	Ablution, basin and conservancy tank	16	R 480,000.00
<b>Total Cost</b>			<b>R 930,000.00</b>

### **Site specific requirements**

Given the lack of a municipal water supply within the vicinity of the settlement, the interim water solution will need to consist of a combination of jojo tanks, provided at elevation, which will need to be filled on a regular basis by the municipality. Owing to the lack of waterborne sanitation in the area, conservancy tanks will need to be used, requiring emptying and servicing on a regular basis.

### **Relocation Strategy**

Due to the settlement's isolated spatial location, the fact that the land was never intended for human settlement development, and the excessive costs which would be required to install the necessary infrastructure, the settlement is deemed unfit for in-situ upgrading. Full relocation is therefore required and a relocation strategy is proposed to ensure that the affected households can be moved to an alternative site.

During community engagement sessions and the remuneration survey, it has been made clear that the residents work within a two-kilometre radius of the settlement. The majority of the residents of Paddock are farm labourers and have chosen to reside in Paddock to access employment opportunities at the surrounding farms. This will need to be taken into consideration when identifying a relocation site for the settlement.

Strategically located land needs to be identified and acquired to accommodate the informal settlement. The following high-level relocation actions need to be undertaken:

## Generic Relocation Strategy

PHASE	OUTCOMES	ACTIONS	RESPONSIBLE ENTITY
Phase 1: Land availability	Determination of area/extent of land required and appropriate infrastructure level of service to be provided.	<ol style="list-style-type: none"> <li>1. Identify suitable land for human settlement development.</li> <li>2. Conduct technical assessment of identified land (site feasibility)</li> <li>3. Produce proposed layout plan to determine yield</li> </ol>	RNM with support from Ugu DM and KZN-DoHS
Phase 2: Community engagement	Participatory planning process and identification of willing and qualifying beneficiaries	<ol style="list-style-type: none"> <li>1. Identify settlement leadership structures.</li> <li>2. Establish project committee which includes community leadership structure.</li> <li>3. Determine if residents are willing to relocate to identified land.</li> <li>4. Determine number of beneficiaries to be relocated</li> </ol>	RNM with support from DHS and KZN-DoHS through NUSP
Phase 3: Relocation preparation/development	Council approval to acquire/release land and securing of finance	<ol style="list-style-type: none"> <li>1. Identify suitable finance mechanism(s)</li> <li>2. Secure funding</li> <li>3. Commence land acquisition if needed.</li> <li>4. Finalise layout plan in consultation with community.</li> <li>5. Obtain statutory approvals (environmental and town planning)</li> <li>6. Develop contingency plans for residents that cannot be relocated.</li> <li>7. Develop land in line with approved layout plan (including installation of services; transfer of stands; <i>optional development of top structures</i>)</li> </ol>	KZN-DoHS in collaboration with RNM, Ugu DM, Eskom through NUSP

PHASE	OUTCOMES	ACTIONS	RESPONSIBLE ENTITY
Phase 4: Allocation of beneficiaries	Relocation of beneficiaries to new development	<ol style="list-style-type: none"> <li>1. Allocate stands/ houses to qualifying beneficiaries based on Housing Needs Register</li> <li>2. Provide relocation assistance (transportation, relocation kits (if applicable), social service support, sustenance)</li> <li>3. <i>Provide emergency assistance at transit site to households who cannot be moved to developed land</i></li> </ol>	RNM with support from KZN-DoHS
Phase 5: Risk mitigation	Ensure that invaded land/ settlement is not reoccupied.	<ol style="list-style-type: none"> <li>1. Remove informal structure as soon as household is relocated.</li> <li>2. Fence off land and install lighting and signage as a deterrent to re-occupation.</li> <li>3. Activate land as per intended land use where feasible.</li> <li>4. Commence/ continue land invasion monitoring</li> </ol>	RNM

#### 4.8 RURAL HOUSING PROGRAMME

The Municipality has initiated various rural housing projects in terms of the rural housing programme both planning and Implementation . Rural housing projects are implemented mainly on communal land and are based on functional land tenure rights. Implementing Agents are appointed to undertake the project. The policy states that one household to one house which means that each rural household qualifies for one house irrespective of the number of people that qualifies for a housing subsidy. It must be noted the projects are being phased from 1000 units to 500 units per project as the PDoHS policy.



## 5. HUMAN SETTLEMENT PROGRAMMES AND PROJECTS- HOUSING SUPPLY

### Number of projects in terms of the different Housing Programmes

PROGRAMMES	TOTAL NUMBER OF PROJECTS	STAGES
Rural Housing Programme	7 projects	2- Planning stage 5- Implementation stage
Informal Settlement Upgrading	1 project	1- implementation stage
Greenfield Housing Programme	2 projects	1- Planning stage 1- Implementation stage
Social Housing Programme	3 projects	3 - Planning stage
Social Housing / Financed linked individual Subsidy Programme (FLIPS/Gap market)	2 projects	2- Planning stage
Rectification Programme	1 project	1- Planning stage
Title Deed Restoraton Programme	3 project	3- Implementation stage
Integrated Residential Development Programme /other	3 land parcel	Conceptual stage- Identified land parcels for further development
Institutional Subsidy Programme (Old age home upgrading)	1 project	Under planning / Implmentation stage

### Housing Opportunities Provided / under Construction/ Planning within the Municipality

(Since 1994)

PROGRAMMES	SITES SERVICED	UNITS ALREADY CONSTRUCTED	UNITS UNDER CONSTRUCTION	UNITS UNDER PLANNING
Rural Housing Programme	0	150	800	2000
Informal Settlement Upgrading	867	734	712	1060
Greenfield Housing	2524	1299	0	1325
Rectification Programme	0	0	0	149
Social Housing Programme (rental)	0	0	0	2424
Social Housing / Financed linked individual Subsidy Programme (FLIPS/Gap market), IRDP	0	0	0	612
Institutional Subsidy Programme	0	0	0	220 (upgrade old age home)
<b>Total</b>	3391	16 524	3261	16274

## HUMAN SETTLEMENTS PROGRAMMES AND PROJECTS

COMPLETED PROJECTS								
PROGRAMME	PROJECT	WARD	CLUSTER	PROJECT SIZE				STATUS
					SITES SERVICED	TOP STRUCTURES BUILT	TITLE DEED TO BE ACHIEVED	
Rural Housing Programme	KwaMadlala	14	2	1000	0	992	0	992 top structures completed. 08 could not be built due to various issues.
Rural Housing Programme	KwaMavundla	17,2 0,25 .26 and 27	6&4	1104	0	1104	0	1104 top structures completed.

PROJECTS IN CONSTRUCTION PHASE								
PROGRAMME	PROJECT	WARD	CLUSTER	PROJECT SIZE				STATUS
					SERVICE SITES	TOP STRUCTURE	TITLE DEED	
Informal settlement upgrading (urban)	Masinenge (urban)	3	4	882	882	882	882	Provision of internal services ongoing. 427 top structures completed to date. PDOHS is the Developer Anticipated completion of the project between 2024-2025 financial year.
In-situ Upgrading	Gamalakhe (insitu-upgrading) – 2000 units) – Phase 1	25, 26, 27, and 28	4	0	0	500	0	Construction for Phase 1 approved (500 units) out of 2000 units. 367 units were built and handed over to the beneficiaries.

								The KZN DOHS has since taken over this project.
<b>Rural Housing Programme</b>	Oshabeni (Phase 2)	4 & 12	6 & 7	500	0	500	0	PDoHS has approved Tranche 2 (construction) for only 300 units. 240 units have been completed. Anticipated completion 2024/2025 financial year.
<b>Greenfield housing programme</b>	Merlewood Mixed income housing	17	6	228	228	228	228	137 top structures have been completed. 37 sites unbuildable. Funding challenges being addressed between PDOHS, and the Municipality. Bulk Infrastructure Services is under completion Commence with the provision of retaining walls Anticipated completion being end of 2023 /2024 financial year.
<b>Rural Housing Programme</b>	KwaNdwalane Phase 2 B	20.2 1,22 &23	3	300	0	300	0	The PDoHS approved for construction of 300 units in the 2022/2023 financial year. Implementing Agent appointed.

<b>Rural Housing Programme</b>	KwanNzimakwe Phase 2	1.10 and 11	3	500	0	500	0	The PDoHS approved for the construction 300 units in the 2022/2023 financial year. Implementing Agent appointed. RNM is the developer. Expected completion 2024/2025
<b>Rural Housing Programme</b>	Vukuzithathe Phase 3 (Ngcawushe ni/ Bdlazi)	30	1	1000	0	1000	0	The PDoHS approved for the construction 300 units in the 2022/2023 financial year. Implementing Agent appointed. The PDoHS is the developer. Expected completion 2024/2025.
<b>Rural Housing Programme</b>	Vukuzithathe Phase 3 (Bandlana/ Shobashabene)	30,3 1 &33	1	1000	0	1000	0	The PDoHS approved for the construction 300 units in the 2022/2023 financial year. Implementing Agent appointed. The PDoHS is the developer. Expected completion 2024/2025.

**PROJECTS IN THE PLANNING PHASE**

<b>PROGRAMME</b>	<b>PROJECT</b>	<b>WARD</b>	<b>CLUSTER</b>	<b>PROJECT SIZE</b>	<b>PHASED APPROACH</b>	<b>STATUS</b>
<b>Informal settlement upgrading (urban)</b>	Mkholombe	20	6	1000	Phase 1 (500 units) Phase 2 (500 units)	In terms of the National-USDP programme detailed studies have been carried in the 2021/2022 financial year. Have challenges with bulk infrastructure and also to review the appointment of the Implementing Agent. Through planning funding from the PDoHS, the District Municipality as appointed a Professional Team to undertake detailed assessment, planning with an implementation plan on the provision of bulk infrastructure (sanitation) routing to the respective treatment plan. Also upgrading of respective treatment plan
<b>Rural Housing Programme</b>	KwaNyuswa Phase 2 - WoSiyane /Nkulu	34	1	1000	Phase 1 (500 units) Phase 2 (500 units)	Implementing Agent Appointed. Planning Activities are at 90% completion. DRA between ITB and RNM still to be finalised.
<b>Rural Housing Programme</b>	KwaMadlala-Phase 2	13,14, 15	2	1000	To be phased	To be planned in terms of Tranche 1.

<b>Rural Housing Programme</b>	KwaXolo – Ingwembalala	7	2	200	0	To be planned in terms of Tranche 1.
<b>Rectification</b>	Gamalakhe – Phase 3	5	4	100	0	Still to be planned for rectification
<b>Informal Settlement Upgrading</b>	Paddock (transnet Ltd)	31	1	60	60	In terms of the National-USDP programme detailed studies have been carried out in the 2021/2022 financial year. Development is subject to relocation of affected families once alternative land as been identified .
<b>Greenfield housing programme</b>	Merlewood middle income housing	17	2	187	187	Provision of mixed income housing opportunities with different housing typologies and densities. Still under planning.
<b>Greenfield housing programme</b>	Bhobhoyi Phase 2	20	6	1098	1098	Project implementation stalled. Awaiting bulk infrastructure provision by Ugu District Municipality. Planning funds approved by the PDoHS Detailed Planning studies have been carried (NUSP) in the 2021/2022 financial year. Ugu District Municipality acknowledges bulk infrastructure challenges.

						Infrastructure funding will be required to upgrade treatment works
<b>Greenfield housing Programme</b>	Lots7 Abersville	12	7	40	40	Challenges with local community and land ownership. Project is on hold due to landowners challenges with beneficiary community
<b>IRDP- Mixed Income Housing</b>	Marburg settlement (Portion 1 of Lot 7-5344)- Mr Frik Pieterse)	20	<b>6</b>	<b>144</b>	144	Provision of mixed income housing with 20 sites reserved for Military Veteran. Land parcel to be transferred from PDoHS to RNM in the 2023/2024 financial year for development purposes.
<b>FLIP/ Social Housing /individual subsidy programme</b>	Disposal of Council owned Serviced Sites in various areas (Marburg/ White City)	12,17 and 18	<b>6 &amp; 7</b>	<b>612</b>	612	Provision of mixed income housing opportunities with different housing typologies and densities. Municipal Council has appointed an Implementing to do detailed planning with project implementation. Bulk Infrastructure (sanitation ) challenges by UGu District Municipality Upgrading of treatment plan / use of package plants (alternative) .
<b>IRDP Mixed income Housing</b>	Portion 15 (of 17) Portion 16 (of7)and the remainder of 7 of the	22	<b>5</b>	<b>281</b>	281	Provision of mixed income housing opportunities with different housing typologies and densities. Land was acquired by the PDoHS for the

	farm Success no 7108					Municipality. Land is in ownership of the Municipality. Still to undertake detailed planning with project implementation.
<b>IRDP Mixed income Housing</b>	Portion 8 (of 4), Portion 46 (of7) of the farm Louisiana Sanderstead no 15566 – Mr Chetty)	22	<b>5</b>	<b>Still to be determined</b>	Still to be determined	Provision of mixed income housing opportunities with different housing typologies and densities. Land was acquired by the PDoHS for the Municipality. Land has been transferred to the Municipality. Currently zoned Agriculture. Needs to be rezoned for Residential purposes. Bulk Infrastructure assessment, to be advised by Ugu District Municipality.
<b>Social and Rental Housing</b>	Marburg (erven 4939 & 4941). Uvongo (erf 1675)	12,17, 18 &19	<b>2</b>	<b>2424</b>	2424	The project is part of the Social Housing Rental Housing Programme Bulk Infrastructure challenges by Ugu District Municipality. Bulk Infrastructure (sanitation) challenges by Ugu District Municipality Upgrading of treatment plan / use of package plants (alternative) .
<b>Institutional Subsidy Programme</b>	Gamalakhe-Zibambeleni Old Age Home (upgrade)	26	<b>4</b>	<b>220</b>	n/a	The upgrading of the project is being undertaken by the PDoHS



## 6. KEY CHALLENGES

Implementation of projects with regard to Informal Settlement Upgrading, Social Housing, and Mixed Income Housing is affected by the availability of bulk infrastructure services (water & sanitation). Ugu District Municipality acknowledges that it has a constitutional responsibility to provide bulk water and sanitation infrastructure to support RNM's Human Settlements Service Delivery targets. The District Municipality has commissioned a study and has drafted its Water Services Master Plan (2021-2050). The Municipality has indicated that the master plan places extreme financial challenges to meet its demand and supply and thus require external funding, partnerships with external organizations.

### Rural Housing Programme



*\*KwaMadlala Rural Housing Project\**



**Greenfield housing Programme**



***\*Merlewood Mixed Income Housing Project\****

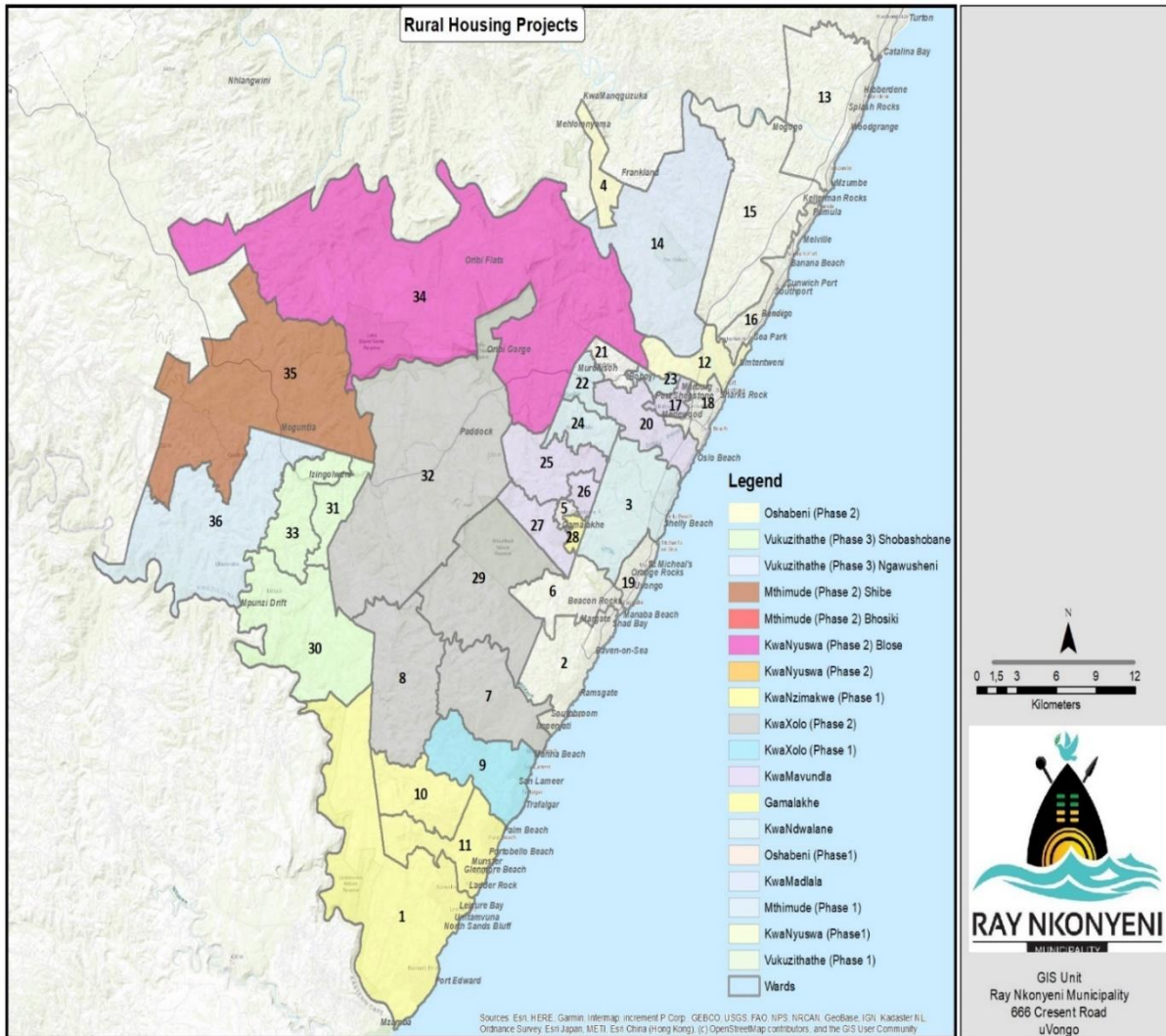
**Informal Settlement Upgrading Programme conversion from  
Informal dwellings to formal housing.**

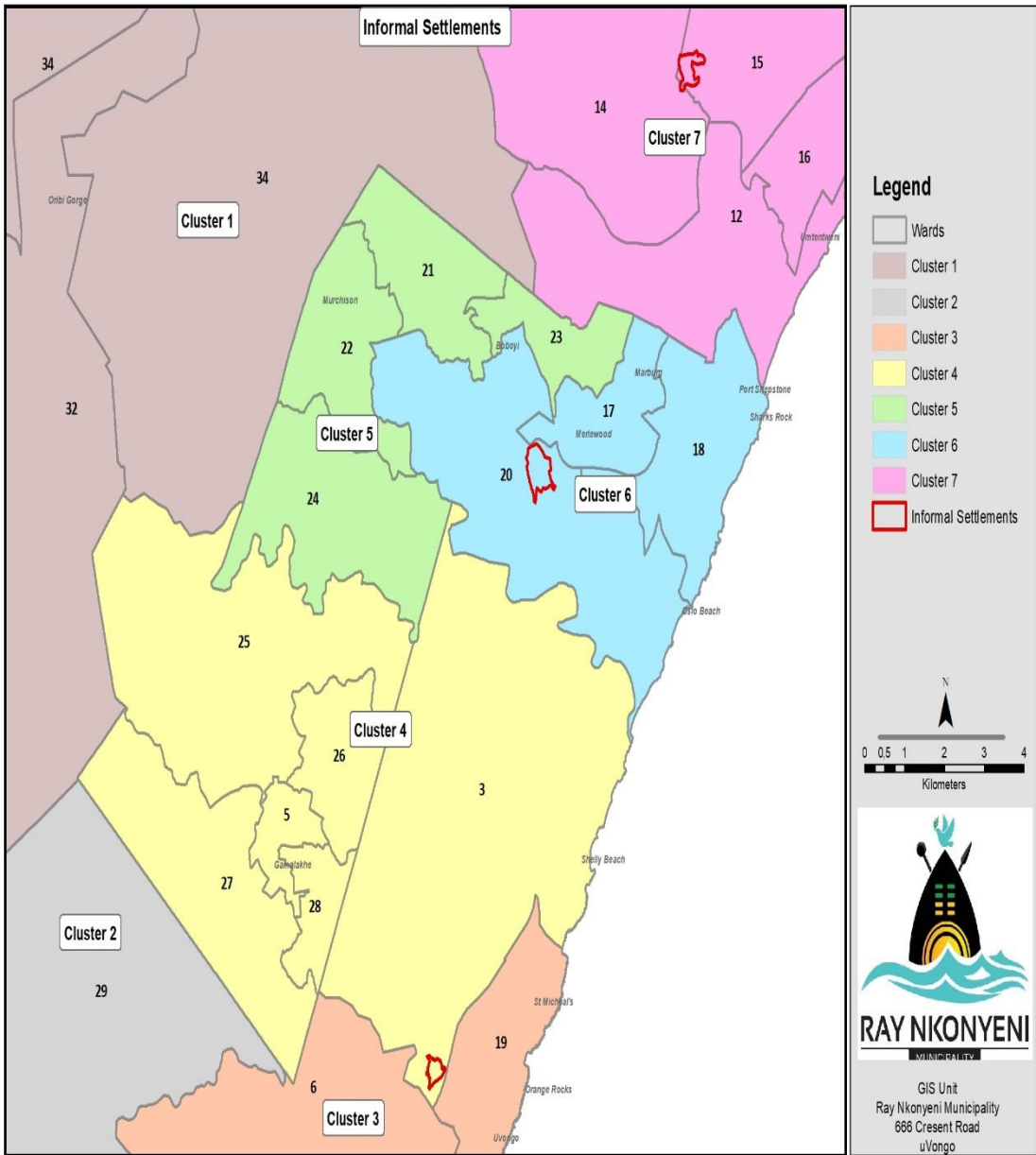


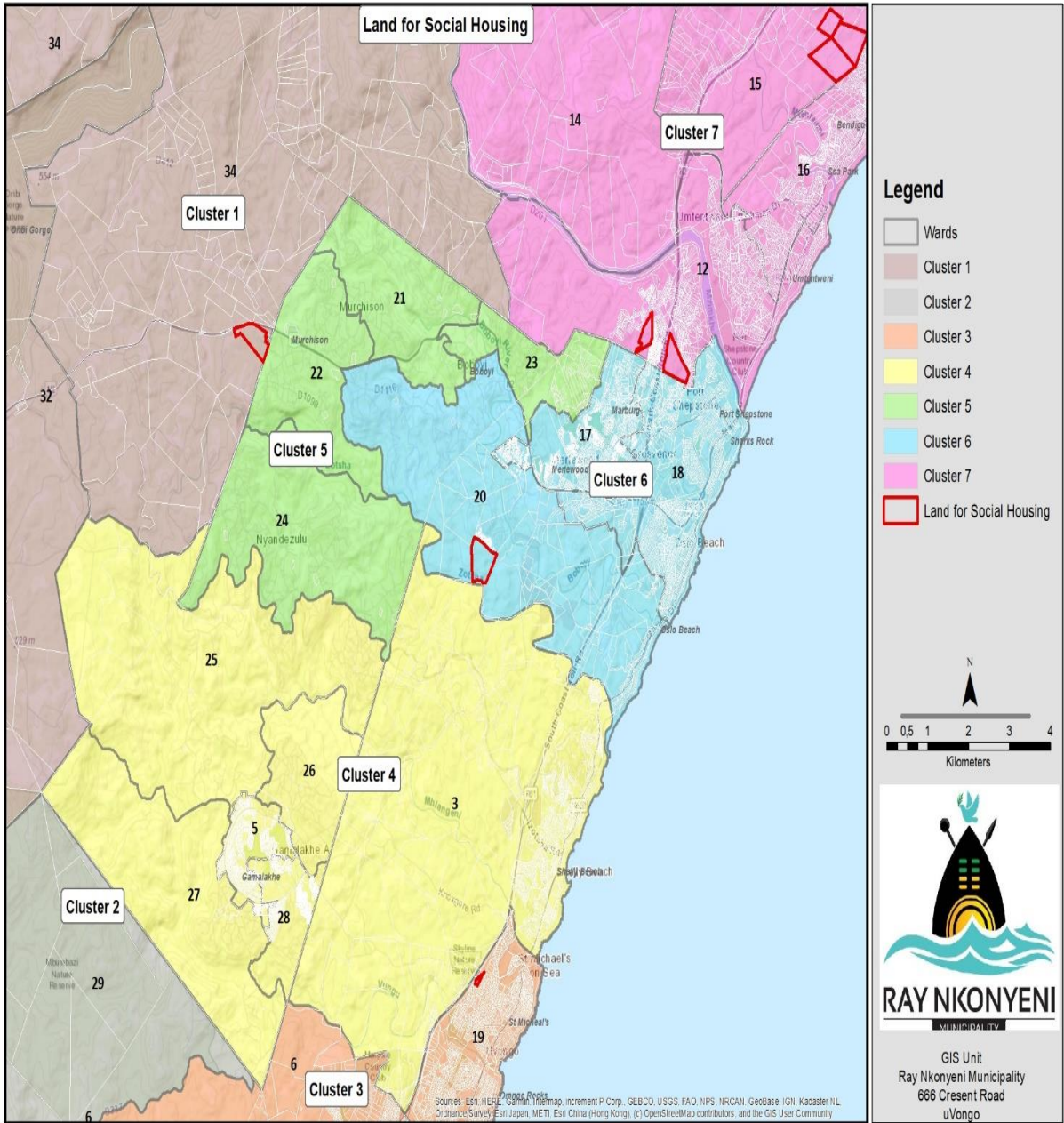
**In situ Upgrading: Low Income Housing Provision (High Density Option)**

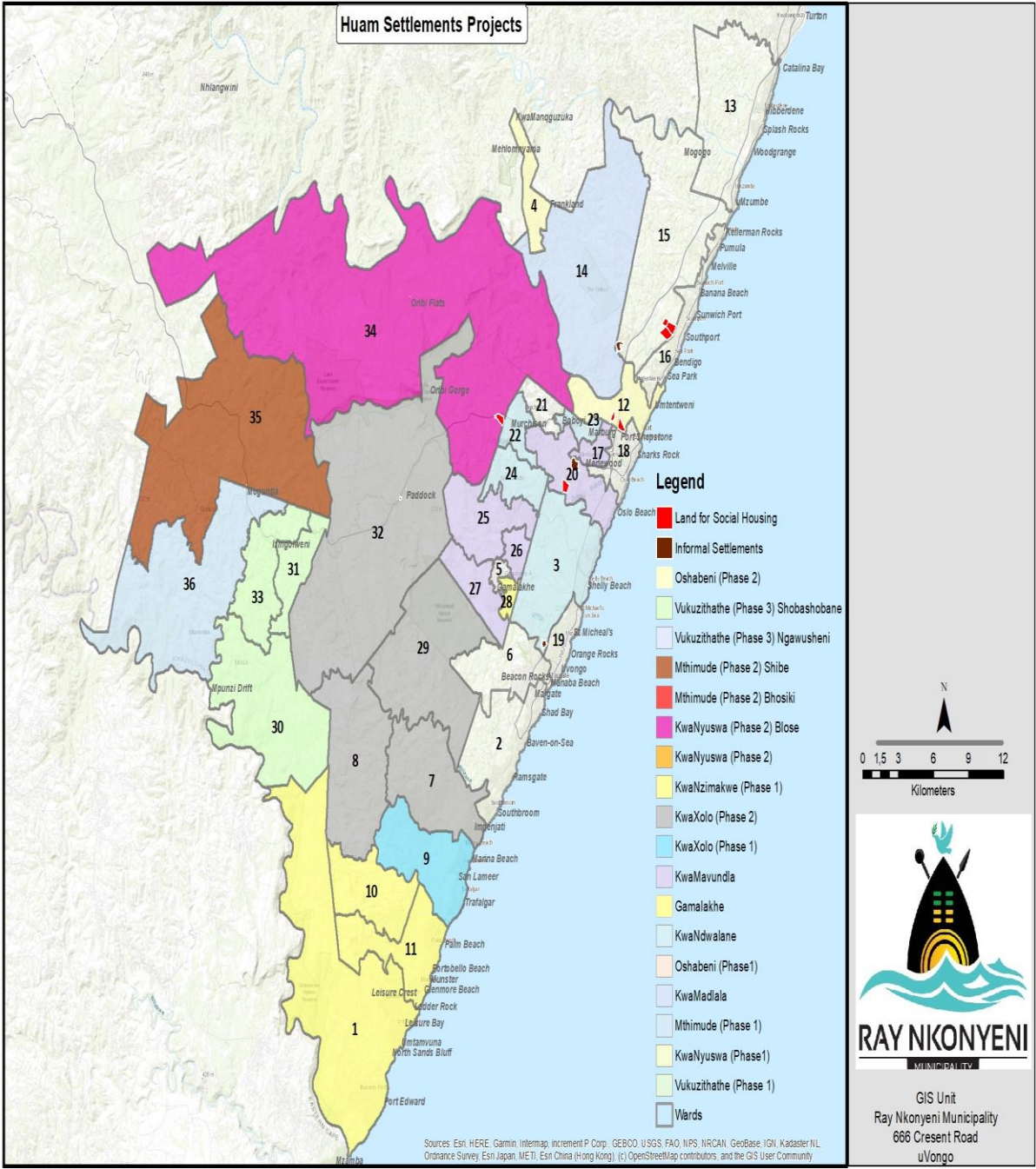


## 7. HOUSING PROGRAMMES AND PROJECT LOCATION









Employees: Human Settlements (Including office of HOD Technical Services)					
Job Level	2021/2022	2022/2023			
	Employees No.	Posts No.	Employees No.	Vacancies (Fulltime equivalents) No.	Vacancies (as a % of total posts) %
TG. 14 - 16	2	2	2	0	0%
TG. 9 - 13	5	5	5	0	0%
TG. 4 - 8	3	3	3	0	0%
TG. 3	0	0	0	0	
<b>Total</b>	10	10	10	0	0%

Financial Performance 2022-23: Human Settlements					R'000
Details	2022-23				
	Original Budget	Adjustment Budget	Actual	Variance to Budget	
<b>Total Operational Revenue</b>	56,832	27,824	14,362	-296%	
Expenditure:					
Employees	14,858	16,691	16,455	10%	
Repairs and Maintenance	-	-	-		
Other	51,414	22,197	14,783	-248%	
<b>Total Operational Expenditure</b>	66,272	38,888	31,238	-112%	
<b>Net Operational Expenditure</b>	(9,440)	(11,063)	(16,876)	44%	
<i>Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.</i>					
T 3.5.5					

Capital Expenditure 2022-23: Human Settlements						R' 000
Capital Projects	2022-23					
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value	
Total All	273	353	229	0%		
Office Computer Equipment_Technical Services	184	184	171			
Furniture and Equipment_Technical Services	89	89	58			
Small Tools_Technical Services	-	80	-			
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i>						
T 3.5.6						



## Component B: Roads

### 3.5 Roads, and waste water (Storm-water drainage)

#### Introduction to Roads & Storm water

Roads and Storm water remains a critical area within the Infrastructure component in ensuring accessibility and mobility of residents and general road users. Programmes are in place to deal with construction, rehabilitation and maintenance of the Municipal Road and Storm water infrastructure systems. Such programmes include the Road Rehabilitation and Storm water rehabilitation programmes thereby the council approves the annual budget that deals with such rehabilitation programmes, contracts that deal with these programmes are in place on annual basis.

In addition, there are the general operations aimed at providing routine maintenance of roads and storm water systems, these include pothole/repairs, storm drainage cleaning, road marking and signage, grading and gravelling of roads.

These programmes have had a significant impact in improving accessibility especially in rural areas during rainy seasons. Challenges are still prevalent around the maintenance of black top road due to ageing blacktop surfaces and furthermore, most of our roads have reached their design life. A significant funding model is envisaged that will be directed towards major upgrading of our road and storm water systems.

Tarred Road Infrastructure					
Kilometres					
	Total tarred Roads	New tarred roads constructed	Existing tar roads re-tarred	Existing tar roads re-sheeted	Tarred roads maintained
2022-23	781	0	0	0	190

Cost of Construction/Maintenance						
R/kilometer						
Year	Gravel			Tar		
	New	Gravel-tar	Maintained	New	Re-worked	Maintained
2022-23	0	4,900.00	358,780	0	7,980,000	690,000

Storm-water Infrastructure				
				Kilometres
Year	Total storm-water measures	New storm-water measures	Storm-water measures upgraded	Storm-water measures maintained
2022-23	56041	0	2.0	599900

Cost of construction/Maintenance			
R/meter			
Year	Storm-water Measures		
	New	Upgraded	Maintained
2022-23	R109,980	R510.00	R1860

Employees: Road & Waste Water (Storm-Water Drainage) Services					
TASK GRADE	2021/2022	2022/2023			
	Employees No.	Posts No.	Employees No.	Vacancies (Fulltime equivalents) No.	Vacancies (as a % of total posts) %
TG. 14 - 16	1	1	1	0	0%
TG. 9 - 13	12	12	12	0	0%
TG. 4 - 8	41	42	39	3	7%
TG. 3	45	119	42	77	65%
<b>Total</b>	99	174	94	80	46%

Financial Performance 2022-23: Roads & Stormwater Services				
R'000				
Details	2022-23			
	Original Budget	Adjustment Budget	Actual	Variance to Budget
<b>Total Operational Revenue</b>	-	-	-	
Expenditure:				
Employees	35,533	35,777	37,326	5%
Repairs and Maintenance	28,587	34,987	34,822	18%
Other	10,325	13,016	13,905	26%
<b>Total Operational Expenditure</b>	74,445	83,780	86,053	13%
<b>Net Operational Expenditure</b>	(74,445)	(83,780)	(86,053)	13%
Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.				
T 3.7.8				

Capital Expenditure 2022-23: Roads & Stormwater Services					
					R' 000
Capital Projects	2022-23				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	32,478	65,354	64,813	#VALUE!	
Road Reseals	3,478	5,219	5,002	30%	
Ntshomela Vehicular Bridge (Sgodaneni) Ward 32	2,609	5,455	5,408	52%	
Kwasithole Pedestrian Bridge (Ward 21)	348	572	-	#VALUE!	
Mazubane Pedestrian Bridge (Ward 21)	2,174	1,412	1,402	-55%	
WARD 12 PEDESTRIAN BRIDGE (OVER SUGER MILL ROAD)	2,609	5,042	5,706	54%	
LOUISIANA RING ROAD (WARD 15)	6,957	7,654	7,791	11%	
REHAB OF COLLEGE ROAD SOUTHBRROM WARD 2	3,478	3,072	3,085	-13%	
WARD 28 WALKWAYS AND GUARDRAILS (THEMBA NGUBELANGA AND FEZIL)	1,130	870	857	-32%	
Nqwane Pedestrain Bridge ward 20	87	14	14	-532%	
Road Reseals	7,000	7,000	6,751	-4%	
Lilliecrona Road_G46247	-	1,826	1,826	100%	
Mbotsha Road_G46247	-	957	948	100%	
Makhanya Road_G46247	-	783	783	100%	
Bar Road_G46247	-	783	783	100%	
Kwa Xaba_G46247	-	1,304	1,304	100%	
Ganyaza Road_G46247	-	783	780	100%	
Roads:Koloni_G46247	-	957	943	100%	
uMsikaba_G46247	-	783	781	100%	
Bham Rd_G46247	-	783	783	100%	
Kwaluhlaza_G46247	-	609	609	100%	
ROADS URBAN STORMWATER	2,609	4,609	4,330	40%	
ROADS URBAN STORMWATER IUDG	-	7,826	7,797	100%	
Urban stormwater rehabilitation_Spillars_G46247	-	2,174	2,164	100%	

Urban stormwater rehabilitation_Ray Nkonyeni Road_G46247	-	1,870	1,870	100%	
Urban stormwater rehabilitation_Carnation_G46247	-	391	391	100%	
Urban stormwater rehabilitation_West Roads_G46247	-	1,304	1,358	100%	
Urban stormwater rehabilitation_Bank Street_G46247	-	1,304	1,349	100%	
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i>					<i>T 3.7.9</i>

Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.

## Component C: Planning and Development

### 3.6 Planning

#### **Introduction to Planning & Development**

The Town Planning section is mandated to fulfil its role in ensuring the integration of land use development within the municipality is achieved. The section continues to play a significant role in the development of land use policies for sustainable development, which includes;

- The Review of the RNM Spatial Development Framework
- The Ray Nkonyeni Wall-to-Wall Scheme first adopted 26 November 2019 with subsequent reviews respectively;
- Ray Nkonyeni Municipal Planning and Land Use Management Bylaw and the reviews; and
- Draft Smart City Strategy

In addition, the section`s day to day work also includes but not limited to the following:-

- Office walk-in Public Consultations
- Pre-scrutiny of applications (to ensure that applications are complete, and information submitted is in order before an application is submitted with an intention of improving turnaround time for development applications)
- Comments on lease of municipal Land
- Comments on lease applications to the Ingonyama Trust Board (PTO)
- Comments on applications for business licenses
- Comments on building plans received from the Building Control section
- Approving of development applications through the Spatial Planning Land Use Management Act, 2016 (Act No.16 of 2013) Joint-Municipal Planning Tribunal and Authorised Officer
- Meetings with attorneys where legal action has been instituted
- Issuing of Zoning Certificates

The Town Planning Section situated in the Department of Development Planning Services is tasked with facilitating the development of forward looking and progressive plans with the objective of planning for the future and providing guidance to the development community, both internal and external on the intentions of the Ray Nkonyeni Local Municipality in relation to land development.

The Town Planning section, in its role as part of a strategic team in the Department, plays the following key functions:

- Land Use Management and Development Control
- Spatial Development Framework for the Municipality
- Spatial Planning
- Geographic Information Systems
- Enforcement, in relation to development planning transgressions

In the recent years, the section has been involved and assisted in the following projects:

- The formulation of spatial planning plans which include but not limited to the following:-
  - Various Precinct plans
  - Local area plans
  - Container Policy
  - Telecommunications Policy

Detail	Applications for Land Use Development									
	Planning application received		Determination made in year of receipt		Determination made in following year		Applications withdrawn		Applications outstanding at year end	
	2021-22	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22	2022-23
Rezoning & Special Consent	02	10	00	00	00	00	00	00	02	10
Special Consent	18	28	06	06	00	00	02	02	10	20
<b>Rezoning</b>	09	18	01	03	00	00	00	01	06	14
<b>Applications relating to restrictions of land</b>	10	08	07	02	02	00	00	00	01	06
<b>Rezoning, Consolidation, Subdivision, Alteration &amp; Consent</b>	14	27	04	00	00	00	03	00	07	27

<b>Subdivision &amp; Consolidation</b>	11	20	03	07	00	00	01	00	07	13
<b>Written Consents</b>	26	34	17	12	00	00	02	01	07	21
<b>Relaxations</b>	44	48	20	27	13	00	01	01	10	20
<b>Applications for development outside Scheme Area</b>	01	01	00		00	00	00	00	01	01
<b>Encroachments</b>	01	01	00	00	00	00	00	00	01	01
<b>Appeals</b>	04	03	02	0	0	00	01	00	01	03

<b>Employees: Development Planning ( BuildingControl, office of HOD Development Planning, Town Planning)</b>					
<b>TASK GRADE</b>	<b>2021/2022</b>	<b>2022/2023</b>			
	<b>Employees No.</b>	<b>Posts No.</b>	<b>Employees No.</b>	<b>Vacancies (Fulltime equivalents) No.</b>	<b>Vacancies (as a % of total posts) %</b>
TG. 14 - 16	6	7	5	2	29%
TG. 9 - 13	14	20	14	6	30%
TG. 4 - 8	5	7	4	3	43%
TG. 3	2	3	2	1	33%
<b>Total</b>	<b>27</b>	<b>37</b>	<b>25</b>	<b>12</b>	<b>32%</b>

<b>Financial Performance 2022-23: Town Planning &amp; Building control</b>				
<b>R'000</b>				
<b>Details</b>	<b>2022-23</b>			
	<b>Original Budget</b>	<b>Adjustment Budget</b>	<b>Actual</b>	<b>Variance to Budget</b>
<b>Total Operational Revenue</b>	3,759	4,265	4,007	6%
Expenditure:				
Employees	22,474	18,563	21,222	-6%
Repairs and Maintenance	-	-	-	-
Other	9,911	14,328	2,146	-362%
<b>Total Operational Expenditure</b>	<b>32,385</b>	<b>32,891</b>	<b>23,368</b>	<b>-39%</b>
<b>Net Operational Expenditure</b>	<b>(28,626)</b>	<b>(28,626)</b>	<b>(19,362)</b>	<b>-48%</b>
<i>Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.</i>				
<i>T 3.10.5</i>				

Capital Expenditure 2022-23: Town Planning and Building control					
R' 000					
Capital Projects	2022-23				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All					
Specialized computer for GIS	–	130	92		
Facial recognition intercom	30	30	–		
Techno Hub Computers	30	30	–		
AZero Printer Scanner	–	200	163		
Building Plan Monitors & Laptops	–	400	328		
External Storage Devices	–	200	184		
TOWN PLANNING COMPUTER ASSETS	250	250	248		
TOWN PLANNING FURNITURE AND EQUIPMENT	415	415	266		
Techno HUB installation of Automated Gate	10	10	–		
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).</i>					T 3.10.6

### 3.7 Local Economic Development and Tourism

#### INTRODUCTION

The Constitution of the Republic of South Africa bestows to Ray Nkonyeni Municipality the responsibility to promote social and economic development within its area of jurisdiction. It thus requires the municipality to structure and manage its administration, budgeting and planning processes in a manner that gives priority to the basic needs of the community and promotes the social and economic development of its area. The Constitution of the Republic of South Africa, 1996 (Act 108 of 1996) mandates local government to promote social and economic development in areas of their jurisdiction. This mandate is outlined further in the White Paper on Local Government (March 1998) which introduces a notion of 'developmental local government', and identifies local economic development as one of the critical outcomes and key performance areas for this sphere government.



To implement the afore-mentioned mandate, the Ray Nkonyeni Municipality established the Department of Development Planning Services, and within this broader department, there are six (6) operational units that focusses on implementation. Such units are made up of Local Economic Development, Building Control, Town Planning, Environmental Management & Signage Control, Investments Programme and the Margate Airport. However, local economic development as a programme rests within the Local Economic Development Unit, with the afore-mentioned sister units providing support and guidance on areas of their expertise. Local Economic Development is further broken down into four (4) sub-units or portfolios, namely Poverty Alleviation Initiatives, SMME & Cooperatives Development, Tourism & Events and Business Regulations, Intelligence & Research. Further, although not placed within the Local Economic Development Unit, there is also an EPWP programme, which is placed in the Office of the Head of Department – Community Services. The EPWP sub-unit oversees the implementation of both incentive-grant funded projects and projects funded internally, which contributes to job creation within the municipality. Over and above projects and programmes that are being implemented by such sub-units, the department is also tasked with facilitating key and catalytic projects, which are managed by the Investments Programme Unit

### **Key programmes and projects implemented within the specified portfolios in 2022/2023**

#### **3.1.1 Poverty Alleviation Initiatives**

- Facilitated the approval and the adoption of the RNM Poverty Alleviation Plan
- Rural-based emerging farmer support - assistance with tools & equipment, focussing mainly on emerging small-holder farmers and community gardens.
- Facilitation of Community Garden Programme, targeting community gardens located within the boundaries of the municipality.
- Small scale fishermen & women support in line with national policy for Small Scale Fishing;
- Facilitation of the Thusong Centre programme within Ray Nkonyeni Municipality. Currently, there are five centres, namely KwaXolo, KwaNzimakwe, KwaMadlala, Bhomela and Oshabeni centres.
- Facilitation and participation in the KZN Fish Processing and satellite cold storage facilities project, which is a project that is led by KZN Department of Economic Development, Tourism & Environmental Affairs, which seeks to establish fish processing sites & further provide cold storage facilities for a couple of fishing cooperatives located within Ray Nkonyeni Municipality.
- In line with the Memorandum of Understandings between RNM and UKZN, training of small-scale farmers was facilitated. To kick-start the implementation of the MOU, a capacity building initiative or

training was implemented, which also sought to ascertain level of appetite & interests amongst subsistence farmers. Key to the objective of the initiative was to train over 500 subsistence farmers on new technologies to produce traditional crops (amadumbe, Bambara groundnut & leafy vegetables).

As part of capacity building, the farmers would be taught on how to integrate science with indigenous knowledge. The ultimate goal was to set-up a system where all participating farmers would form primary, secondary & tertiary co-operative, thus a farming organization that produces for bigger, provincial and national markets. The RNM / UKZN capacity building was held from 29 – 31 August 2022, and it was attended by 106 participants who came from all 36 wards of the municipality



Pic: Training session in progress: UKZN / RNM small-scale farmer capacity building workshop

### 3.1.2 SMME & Cooperatives Development Portfolio

- Facilitation of Training of SMME's – both business management and technical trainings
- Facilitation of SMME awareness sessions in partnerships with key stakeholders
- Facilitation of SMME exposure programmes such as the annual SMME & Cooperatives Mayoral Fair
- Facilitation of SMME registration with statutory bodies such as CIPC, SARS etc., and
- SMME & Cooperatives Entrepreneurship Support programme.

Notable achievements within the SMME & Co-operatives development portfolio in 2022/2023 were as follows:

- Thirty-five (35) SMMEs & Cooperatives benefitted in the implementation of the SMME & Cooperatives Entrepreneurship Support programme. An amount of R5, 4 million was utilised, which saw SMME receiving direct financial support from the municipality for various initiatives, ranging from capacity enhancement for existing businesses to receiving start-up capital for new ventures.
  
- Forty-seven (47) SMMEs & Cooperatives benefitted through participation in the 2022 Edition of the SMME & Co-operatives Mayoral Business Fair. Once again, the 2022 edition of the SMME & Cooperatives Mayoral Fair saw a collaboration between the municipality and one of the leading shopping centres in South Coast – Shelly Centre Shopping Mall. The SMME and Cooperatives Business Fair is an initiative whose purpose is that of creating marketing and networking opportunities for SMMEs and Cooperatives to showcase their products. The 2022 edition of the fair was held on the 23<sup>rd</sup> of November 2022, at the South Coast Mall.

Fifty (50) stalls were setup and forty-seven (47) SMMEs exhibited, which saw a significant improvement from the previous years. Participation represented 13 different business sectors with the attendance of approximately 2500 members of the public throughout the day. The appointed service provider ensured that a minimum of ten (10) local suppliers were subcontracted and benefitted from the Business Fair initiative. Feedback that was received from the SMMEs who took part, was that the Mayoral Fair was impactful in their businesses, as it made their brands acknowledged and established an opportunity to interact with other businesses in related fields, thus increasing value chain. For this initiative, Council had budgeted an amount of R750 000-00.



Mayor: Cllr IS Mqadi delivering his keynote address at the SMME & Cooperatives Mayoral Fair

- In partnership with Ithala Development Finance Corporation (IDFC), facilitated Masakhe Business Training for SMMEs and people living with disabilities, wherein 91 SMMEs received capacitation.
- In collaboration with SALGA, facilitated and coordinated SMME development capacity building workshops.
- Emerging contactor database custodianship, wherein the LED Unit continued with registering emerging contractors in the database.
- Participated in the Next Billionaire SMME awards, which is a platform that is led by Umlando Creatives, which seeks to recognise emerging SMMEs for the sterling work that they are doing in entrepreneurship.

### 3.1.3 Tourism & Events

Tourism Development as a sub-programme within Local Economic Development mainly focusses on developing tourism, particularly in rural areas, and thus ensuring that tourism also benefits rural communities. Projects such as KwaNzimakwe Experience, Nyandezulu Experience, which includes Nyandezulu Waterfall as well as the KwaXolo Caves are some of the projects that have been highlighted as catalysts for rural community-based tourism.

Furthermore, the municipality also continues to support various other events, which are mainly private-sector led, which contributes immensely to tourism. Some of the initiatives implemented within the Tourism & Events portfolio include the following:

- Crafter development programme – trainings & material support;
- Facilitation of Events Management Committee that approves events within RNM;
- Facilitation of filming activities through the RNM Film By-Law.

Further, during the said period the municipality continued with the agreement with the KZN Film Commission, which was formalised in the form of a Memorandum of Understanding during 2022/2023. The idea behind partnering with KZN Film Commission is to promote and market RNM as a favourable destination when it comes to filming. It is further envisaged that the partnership between RNM and KZN Film Commission will ensure that local talent is exposed and enhanced, and thus potential for industry growth and job creation. For example, the annual film development workshop is intended to attract young and unexposed talent in the field of filming, whilst at the same time seeking to provide and awareness to various SMMEs regarding the number of available opportunities within the film sector.

▪ **Tourism-boosting events : Ugu Maskandi Festival and Uvukile Gospel concerts**

Ugu Maskandi Festival is one of the events that Council resolved to support. In this financial year, the event was held on the 1<sup>st</sup> of October 2022 at the Ugu Sports & leisure Centre in Gamalakhe. The event, which is organised by Ugu Broadcasting Services is essentially a heritage & cultural celebration, which is done via traditional maskandi music. Also, the festival serves as a platform to promote and encourage local and upcoming maskandi artists. In terms of this year's event, more than sixty artists and DJs performed, inclusive of local artists. A number of high-profile artists graced and performed at the event. In terms of attendance, the 2022 edition of the festival had more than 5500 people, which included maskandi music lovers from other parts of the province, hence tourism attraction element for the event. Further, in terms of local economic contribution, through this year's event more than 700 apartments were booked and a number of locally based SMMEs had opportunities to participate.

Uvukile Gospel Festival is one of the events that Council resolved to support. This year's event was held on the 9<sup>th</sup> of April 2023 at the Ugu Sports & leisure Centre in Gamalakhe. The event, which is organised by SMM Projects Cc is a culmination of the Easter festivities that are celebrated by Christians world-wide. In terms of this event, several gospel artists were invited to perform, inclusive of local artists and this year's event was no different. A number of artists graced and performed at the event. In terms of

attendance, the 2023 edition of the festival had more than 4000 people, which included patrons from other parts of the province, hence tourism attraction element for the event.

### **3.1.4 Business regulations, research & business intelligence**

Business regulations, research & business intelligence as a sub-programme within Local Economic Development mainly focusses on the following:

- Informal Economy management and support, which focusses mainly on processing of permits for various informal trading activities. Linked to that, is also the facilitation of support for the sector, which includes, but not limited to, facilitation of trading and storage infrastructure and facilitation of information and general capacity building for informal traders. To achieve this, the department works closely with twelve (12) Informal Trading Area Committees as well as the Ray Nkonyeni Informal Traders Chamber, which is made up of all Chairpersons of various informal trading area committees.
- In partnership with SEDA, the Section facilitated support to 78 informal traders who were adversely affected by the April 2022 floods.
- Facilitated support for 30 informal traders who received IMEDP support from the National Department of Small Business Development as well as 60 traders who received POS machines from SEDA.
- Formal business licensing programme in line with Businesses Act & its regulations as well as the Ray Nkonyeni Municipality Business Licensing Policy. To execute this delegated mandate, the department works very closely with other sister departments, who provide valuable comments in the value chain of processing business licensing applications. During 2022/2023 financial year the department processed a total of three hundred and ninety one (391) business license applications, which included new applications as well as business license renewals.
- Apart from issuing business licenses, the department also conducted business licensing awareness sessions. The purpose of the sessions are to empower, whilst also guide the potential applicants on the applicable processes when it comes to lodging applications.
- Further, the department continues to participate in the PASP programme (Pilot Administrative Simplification Programme), which is a programme that is led by the National Department of Small Business Development. In essence, the programme seeks to identify and reduce red tape in various key municipal units. The following Units participated in the PASP programme – Local Economic Development, Building Control, Town Planning, Law Enforcement, ICT, Supply Chain Management, Expenditure Unit and Customer Care. During the 2022 / 2023 financial year, the dashboard was prepared and will be rolled out during the 2023 / 2024 financial year.



Pic: business licensing empowerment workshop in session.

### **Margate Airport:**

#### **2022/2023 Margate Airport Annual Report:**

The municipality has recognized its strategic importance and the municipality is committed to its development. The Airport has undergone some welcome improvements, not only focused on the facilities but also the services offered to the general public.

The Municipality has received grant funding from KZN Economic Development Tourism and Environmental Affairs to commence with Infrastructure Upgrades to Margate Airport. The project was completed to practical completion on the new commercial office building where car rental companies will be accommodated. The ablution facilities in the Terminal Building have been upgraded and renovated together with the upgrade of the entrance and reception area to accommodate more passengers.

The MEC for the Department of Economic Development Tourism and Environmental Affairs (EDTEA), Siboniso Duma, officially opened the airport following its R11 million upgrade on 26 November 2022.



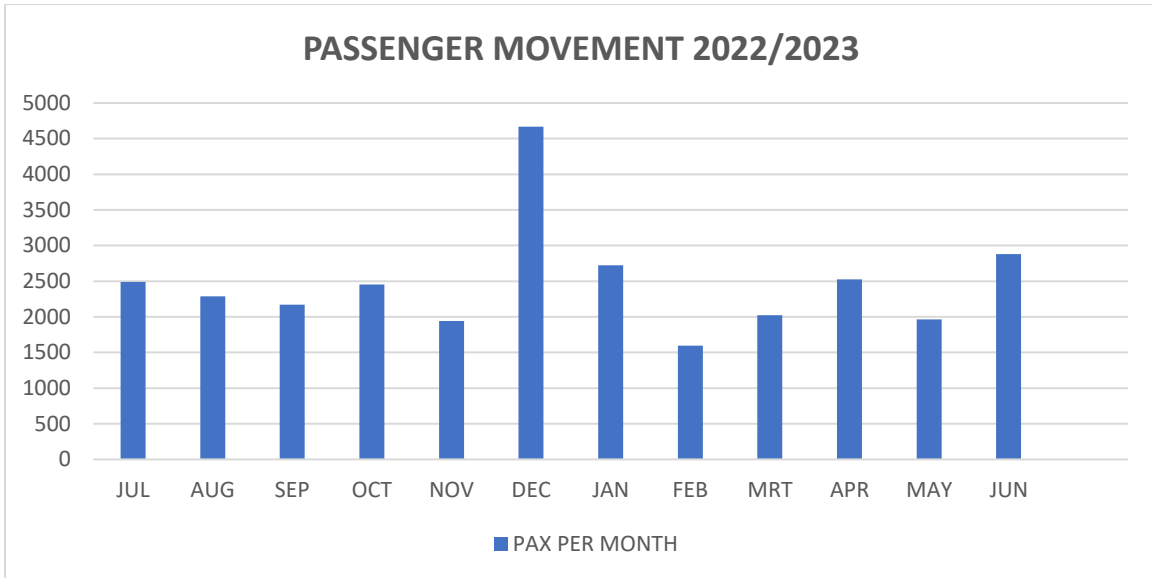




There is a significant potential for Margate Airport to run efficiently and grow as it serves a significant portion of the Northern and Eastern Cape and a high percentage of the users are businesspeople living in KZN with their families but working in Gauteng.

The sustainability of commercial flights provided by CemAir to and from Margate Airport is a major turning point for the tourism industry of the KZN South Coast. The area has so much to offer and Margate Airport is a key piece of infrastructure that is contributing to the region's ability to bring people to the area and stimulate economic growth.

Due to the significant increase of passengers utilizing schedule flights provided by CemAir between Margate Airport and OR Tambo International Airport the airline indicated that they would like to utilize a bigger aircraft on the current established route. The airline maintains scheduled flights six (6) times per week but included additional daily flights during the seasonal period to accommodate for the increase of passengers' numbers.



Margate Airport strives for constant improvement in the services offered, not only to the passengers but also to the general aviation public.



Employees: Local Economic Development Services (incl LED, Aviations and Technology Hub)					
TASK GRADE	2021/2022	2022/2023			
	Employees No.	Posts No.	Employees No.	Vacancies (Fulltime equivalents) No.	Vacancies (as a % of total posts) %
TG. 14 - 16	3	3	3	0	0%
TG. 9 - 13	4	12	7	5	42%
TG. 4 - 8	6	11	2	9	82%
TG. 3	3	7	5	2	29%
<b>Total</b>	16	33	17	16	48%

## Component D: Community and Social Services

### 3.8 Arts & Culture (Libraries, Museums, Community facilities)

The Mandate of the Art & Culture is to collect, record, preserve, develop, protect , promote arts,culture , heritage and provide access to information . There are thirteen (13) libraries , one (1) modular library, five (5) mobile library units and two (2)museums. Mobile libraries established to extend library facilities where there are no functional libraries.

#### Libraries

In 22/23 financial year Libraries circulated 154 234 issues for the period under review. The section has conducted 13 outreach programmes to ensure accessibility of information to our communities. Four ( 4) Mobile libraries have been established and operational to extend library facilities inland where there are no functional libraries at,kwaMadlala,Maygog,Gcilima and Maveshe hall .

#### **New kwaNzimakwe modular library**

New kwaNzimakwe modular library has been completed but not yet operational.

#### **Cybercadets services**

Free public internet access has been provided at libraries. Cybercadets trained patrons on computer literacy skills at Gamalakhe, Margate, Hibberdene, Port Edward , Sazi Nelson, Port Shepstone and Eziqoleni. All our libraries have free Wi-fi internet public access. Conducted 19 cybercadet workshop and visited 14 schools to promote the usage of internet facilities in libraries and empowered our communities. Trained interested candidates on computer literacy.

## Museums galleries

### Museum Galleries

Port Shepstone Cultural history / maritime museum conducted oral history to promote time travel and heritage awareness programmes . Hosted successful international museum day. Document untold local history in partnership with Provincial Museum services and twinning association. Museums conducted outreach programmes to 7 schools. Exhibited ocean economy information to promote awareness on maritime.

The Margate Art gallery museum has created a platform for the local artists to showcase and exhibit their art works .held (4) visual art exhibitions. Hosted successful comedy in comedian and Inkudla theatre festival. Created interest amongst our youth that visual art and performing arts can be taken as a serious career path. On-going Saturday art classes and residential art at Margate museum to empower vulnerable children with artistic skills. Hosted youth art programmes in various genres to promote social cohesion.



### Community facilities (Revenue collected from hall hiring)

There are currently 8 urban halls and 47 rural halls. Halls have been made accessible for Council purposes and for hiring by the public. In the year under review the amount of revenue generated from hall bookings was R316 052.00

Employees: Arts & Culture (Libraries, museums, galleries, community facilities)					
TASK GRADE	2021/2022	2022/2023			
	Employees No.	Posts No.	Employees No.	Vacancies (Fulltime equivalents) No.	Vacancies (as a % of total posts) %
TG. 14 - 16	1	1	1	0	0%
TG. 9 - 13	30	33	29	4	12%
TG. 4 - 8	34	36	34	2	6%
TG. 3	15	27	14	13	48%
<b>Total</b>	<b>80</b>	<b>97</b>	<b>78</b>	<b>19</b>	<b>20%</b>

Capital Expenditure 2022-23: Libraries; Arts and Culture					
					R' 000
Capital Projects	2022-23				Total Project Value
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	
Total All	–	247	379	0	
Computer Equipment	–	8	137	100%	
Office Furniture	–	239	195	100%	
Machinery & Equipment	–	–	47	100%	
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i>					

Capital Expenditure 2022-23: Libraries; Arts and Culture					
R' 000					
Capital Projects	2022-23				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	268	208	200	-34%	
LAPTOT & 4G WIFI ROUTER	-	10	-	#DIV/0!	
MUSEUMS COMPUTER ASSETS	300	300	288	-4%	
FURNITURE & OFFICE EQUIPMENT-MODULAR LIBRARY	-	42	31	100%	
MACHINERY & EQUIPMENT MODULAR LIBRARY	-	22	-	#DIV/0!	
Machinery and Equipment (100)	500	500	119	-321%	
LIBRARY DRIVEWAY	-	200	185	100%	
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).</i>					T 3.12.6

### 3.9 Aquatic Safety (Beach Management)

#### INTRODUCTION

The Aquatic Safety section has the following areas of responsibility under its mandate; Provision of lifeguards on 20 bathing beaches, maintaining 6 registered/ licensed Boat Launch sites, 19 Tidal pools, 9 freshwater swimming pools and the management of the prestigious International Blue Flag campaign on five (6) full status Blue Flag beaches and one (1) pilot Blue Flag beaches within the Municipality. The top 3 rated service delivery priorities for the Aquatic safety section are as follows:

BEACHES with BLUE FLAG status: -

- 1 Trafalgar
- 2 Marina
- 3 South Port
4. Umzumbe
5. Hibberdene
6. Ramsgate

PILOT Blue Flag Beaches: -

- 1 St Mikes

Employees: Aquatic Safety					
TASK GRADE	2021/2022	2022/2023			
	Employees No.	Posts No.	Employees No.	Vacancies (Fulltime equivalents) No.	Vacancies (as a % of total posts) %
TG. 14 - 16	1	1	1	0	0%
TG. 9 - 13	3	3	3	0	0%
TG. 4 - 8	12	13	12	1	8%
TG. 3	0	0	0	0	
<b>Total</b>	16	17	16	1	6%

#### 1.) Water Safety

Approximately 27 years ago the former Hibiscus Coast Municipality now called the Ray Nkonyeni Municipality outsourced its Lifesaving functions to private companies who provide/ train and manage Lifeguards. The service was recently advertised as the three (3) contract. The new Tender specified that

the RNM was going to set up a panel of Lifeguard Service providers to create more opportunities for emerging companies to compete. The Tender was split into three (3) sections. Main and Blue Flag beaches, Seasonal beaches and swimming pools. Three service providers appointed in 2022/2023 financial year are, are SIMUNYE LIFEGUARD SERVICES – Provision of all Lifeguard Services for all main and Blue Flag Beaches JULA Lifeguard Services Provision of Life Guard Services for specified Swimming Pools, Lower South Coast Link provision of Life Guards for all Week end and Public Holidays. There are 11 main which are manned by Life Guards on a full time basis, Port Edward, Trafalgar, Marina Beach, Ramsgare Beach, Margate Beach, Lucien Beach, Uvongo Beach, St Mikes Beach, South Port Beach Umzumbe Beach and Hibberdene and 9 seasonal beaches which stretch over an area of 72 kilometres from Hibberdene in the north to Port Edward in the south. The three (3) service providers employ the services of locally based youth and continually train and empower them to work either fulltime or seasonally on the various beaches.

In the Tenders awarded to the three (3) service providers a value-added clause was written into their tenders which states that they must plough back into the community during their 3-year contracts. This service to the community need not be monetary by nature but must be made up of educational programs aimed at the upliftment of the community. They are also required to visit rural schools on a monthly basis and offer water safety talks using Lifeguards in their employ to host these programs. The service providers allow Lifeguards in their employ to register for various extra mural courses which they may want to pursue in the future and financially assist them to partake in the courses. In this way they empower their own staff to improve their qualifications whilst being employed. The decision to further one's studies is left entirely up to the individuals to partake in.

The three (3) service providers employ 25 permanent Lifeguards on a 3-year basis which is the extent of the contract and during school holidays this number increases to approximately 90 additional temporary lifeguards to assist the permanent staff.

## **2.) Blue Flag Campaign**

The Internationally renowned Blue Flag campaign was introduced into SA approximately 27 years ago by the Department Agriculture and Environmental Affairs. SA was the first country outside of Europe to be granted permission to partake and fly Blue Flags on specific beaches which comply with all the required international Blue



Flag criteria of which there are approximately 54. The Ray Nkonyeni Municipality joined the campaign a year after it was introduced by DAEA and the following year had Margate Beach declared a Blue Flag beach. The RNM is the second longest local authority in SA participating in the campaign and is second only to Nelson Mandela Bay Metro Council.

After the establishment of the BF campaign in SA, DAEA relinquished control of it to an NGO known as the Wildlife and Environmental Society of South Africa WESSA. The RNM has had such a good working relationship with the BF coordinator from WESSA that some of the SA criteria adopted with regards to Lifeguard requirements was based on communications between WESSA and the RNM Aquatic Safety section.

During the **2022-23** Blue Flag season the RNM has a total of 6 Blue Flag beaches. A further point worth mentioning is that KZN is the only province within SA that has Blue Flag beaches for the entire 365 days of the year. Most other local authorities to the south only offer public BF beaches 2 to 4 months a year.

Blue Flag beaches offer public the peace of mind that they comply with 32 criteria points of which the 4 main ones are:

- \* Sound environmental management
- \* Environmental education initiatives
- \* Safety and Security for users
- \* Excellent bathing water quality

It's safe to say that the RNM is the leader of blue Flag in KZN notwithstanding the fact that it has to contend with 2 metro councils to the north.

### **3.) Environmental Education Programs Blue Flag Requirements**

One of the spinoffs of the Blue Flag campaign is the fact that each BF beach must host at least 5 Environmental Education projects to local and rural schools. These programs are carefully crafted together with the Waste Minimization unit, Fire Department and Safety and Security sections that visit schools as a group and host various programs to empower children on a wide range of subjects. The Aquatic Safety section has a program that includes the importance of marine protected areas, pollution in natural streams and its effect on estuaries, the protection of all marine animals to ensure sustainability for future generations and lastly water safety. The three (3) service providers play a huge role in the programs as they assist by sending staff to host the water safety

sections as well as environmental education programs. This is a very gratifying part of Aquatic Safety as empowering children on environmental issues is a huge sense of achievement as it is becoming ever more prevalent that the future of our world depends on how we choose our future.

Employees: Arts & Culture (Libraries, museums, galleries, community facilities)					
TASK GRADE	2021/2022	2022/2023			
	Employees No.	Posts No.	Employees No.	Vacancies (Fulltime equivalents) No.	Vacancies (as a % of total posts) %
TG. 14 - 16	1	1	1	0	0%
TG. 9 - 13	28	35	30	5	14%
TG. 4 - 8	34	36	34	2	6%
TG. 3	16	27	15	12	44%
<b>Total</b>	79	99	80	19	19%

Financial Performance 2022-23: Arts & Culture					R'000
Details	2022-23				
	Original Budget	Adjustment Budget	Actual	Variance to Budget	
<b>Total Operational Revenue</b>	15,576	15,830	15,128	-3%	
Expenditure:					
Employees	25,423	25,309	26,913	6%	
Repairs and Maintenance	334	280	334	0%	
Other	4,974	3,829	2,966	-68%	
<b>Total Operational Expenditure</b>	30,732	29,418	30,213	-2%	
<b>Net Operational Expenditure</b>	(15,156)	(13,588)	(15,085)	0%	
<i>Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.</i>					
T 3.12.5					

Capital Expenditure 2022-23: Libraries; Arts and Culture					
					R' 000
Capital Projects	2022-23				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	-	247	379	0	
Computer Equipment	-	8	137	100%	
Office Furniture	-	239	195	100%	
Machinery & Equipment	-	-	47	100%	
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).</i>					

T 3.12.6

### 3.10 Special Programmes (Child care, Aged care and Social Programmes)

#### Introduction

There is a need to ensure that our communities are cared for and that support is given to those who are vulnerable in our communities. This unit within the municipality seeks to ensure that senior citizens, people living with disabilities, vulnerable children, farmworkers, and those people affected by HIV/Aids receive the necessary support to be able to cope in their communities.

Their programmes also focus on women and men empowerment which assists in providing life skills training that ensure that these men and women can sustain themselves through their own labour.

There are also programmes targeting awareness around women and child abuse which ensures that communities are well informed and empowered regarding their rights and how to act in such instances of abuse.

#### Projects:

##### Childcare:

- Back to school campaign, 10 schools benefited.
- Dress a school child campaign; 440 school children benefited from the programme. 23 Schools benefited
- Sanitary dignity campaign programme, 23 schools supported with sanitary towels

##### Aged care:

- Provision of Walking device in a form of walking sticks to 36 wards, 15 per ward.

##### HIV/Aids Programmes:

- 4 Local Aids council meeting held, one meeting per quarter

##### Gender Programmes:

- 12 women in business supported with funding to purchase Equipment/ material to sustain their business

Financial Performance 2022-23: Special Programmes					R'000
Details	2022-23				
	Original Budget	Adjustment Budget	Actual	Variance to Budget	
<b>Total Operational Revenue</b>	–	–	–	0	
Expenditure:					
Employees	17,348	19,920	19,485	11%	
Repairs and Maintenance	–	–	–	0	
Other	13,734	13,556	19,764	31%	
<b>Total Operational Expenditure</b>	31,082	33,476	39,248	21%	
<b>Net Operational Expenditure</b>	31,082	33,476	39,248	21%	
<i>Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.</i>					
T 3.14.5					

Capital Projects						R' 000
Capital Projects	2022-23					
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value	
Capital projects	172,044	225,684	212,244	(40,200)	212,244	

Capital Expenditure 2022-23: Special Programmes						R' 000
Capital Projects	2022-23					
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value	
Total All	–	–	–	0		
SPG Computers	–	100	83	#DIV/0!	82662	
SPG Furniture & Equipment	–	300	215	#DIV/0!	215362	
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).</i>						
T 3.14.6						

## Component E: Environmental Management & Signage Control

### 3.11 Environmental Management (pollution control, biodiversity, landscape and coastal protection)

#### **Introduction:**

The Ray Nkonyeni Municipality contains several ecosystems, both aquatic (fresh water and marine) and terrestrial (grasslands, forests). Fresh water aquatic ecosystems include several rivers and associated with these rivers is a significant number of wetland habitats. The municipality has a priority to conserve these ecosystems, not leaving aside dune and seashore environments as well as several estuaries where the rivers enter the Indian Ocean.

#### **Environmental Compliance and Monitoring**

The Ray Nkonyeni Municipality has a responsibility of ensuring compliance with Environmental Legislation. Environmental audits are conducted continuously, and good partnerships formed with other stakeholders such as Department of Economic Development, Tourism and Environmental Affairs (EDTEA); Department of Transport (DOT), Department of Water Affairs (DWA) and other relevant Departments (internally and externally).

Over the past year, there has also been constant monitoring at Margate beach, Nkongweni Lagoon as well as Ramsgate Beach, IBilanhlo Estuary. Monitoring has been done because of the ongoing issues which are being experienced at Margate and Ramsgate Beach (which are some of RNM's main socio- economic hubs). Audit reports and monthly reports submitted monthly contain detailed information.

The section also conducts site inspections based on the Town Planning applications and Building plans received for scrutiny. Site inspections are also done upon receipt of Basic Assessment Reports, Water-use license applications, Mining applications and any other related applications wherein comments and inputs by the Section are required. The comments are sent within prescribed timeframes (as per SDBIP guidelines).

## **Environmental education and awareness**

The Municipality has been pro- active with clean-up as well as awareness campaigns targeted at schools and community at large. These initiatives are not only meant to educate but they have been proven to be a crucial link between officials and communities as well as restoring a sense of responsibility and pride for communities within RNM (thus being motivated to better take care of their natural resources). These Environmental education and awareness campaigns have been made possible by the collaborative efforts of RNM and other Departments at different spheres of government. They are done as and when the need arises and/or to commemorate environmental calendar days throughout the year.

## **Sector Plans**

The Municipality has a legal obligation to have certain plans in place in order to ensure compliance with some pieces of Legislation.

### **Nkongweni Estuarine Management Plan:**

As previously stated, that the Ray Nkonyeni has faced challenges regarding the damage caused at Margate Beach due to water cutting through or along the bank of the beach affecting municipal infrastructure. This has necessitated the municipality to seek remedial measures must be in line with EIA regulations, 2010. The National Department of Environmental Affairs has since funded and undertook the Development of the Nkongweni Estuarine Management Plan. This plan is meant to be a long-term intervention measure which will address the historic issues at Margate Beach and Nkongweni Estuary. The Nkongweni Estuarine Management Plan has been completed.

### **Development of Estuarine Management plans:**

The Integrated Coastal Management Act (Act 24 of 2008) provides that local municipalities have an obligation to establish and implement Estuarine Management Plans and it is for this reason that the RNM has allocated funding (2023/2024 financial year) for the development of Estuarine Managements for four more Estuaries. The Estuaries are, Kaba Estuary, Koshwana Estuary, Boboyi Estuary, Vungu Estuary as well as the Development of the dune rehabilitation plan for the Ramsgate Dune.

## Signage Control matters

The section has identified the proliferation of illegal signs within the Municipality and has therefore embarked on the issuance of notices to offenders of illegal signs. Illegal posters and signs are removed daily in the different zones. Clean up campaigns have also been initiated in partnership with the Department of Community Services. The appointment of a service provider to monitor and enforce compliance has resulted in an improvement of proliferation.

Employees: Environmental Management & Signage Control					
TASK GRADE	2021/2022	2022/2023			
	Employees No.	Posts No.	Employees No.	Vacancies (Fulltime equivalents) No.	Vacancies (as a % of total posts) %
TG. 14 - 16	1	1	1	0	0%
TG. 9 - 13	4	5	4	1	20%
TG. 4 - 8	1	1	1	0	0%
TG. 3	0	0	0	0	
<b>Total</b>	6	7	6	1	14%

Financial Performance 2022-23: Environmental Management & Signage Control					R'000
Details	2022-23				
	Original Budget	Adjustment Budget	Actual	Variance to Budget	
<b>Total Operational Revenue</b>	0	0	0	0	
Expenditure:					
Employees	0	0	0	0%	
Repairs and Maintenance	0	0	0	0%	
Other	0	0	0	0%	
<b>Total Operational Expenditure</b>	0	0	0	0%	
<b>Net Operational Expenditure</b>	0	0	0	0%	
<i>Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.</i>					
T 3.15.5					



Capital Expenditure 2022-23: Environmental Management & Signage Control					
R' 000					
Capital Projects	2022-23				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	0	0	0	0	0
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).</i>					
<i>T 3.15.6</i>					

## Component F: Security and Safety

### 3.12 Protection Services

#### 1.LAW ENFORCEMENT

Manager : Superintendent T.S. Ngcaku

Contact : 039 – 688 2252 / 076 282 7973

Secretary: Mrs Ntombifuthi Mzotho – 039 – 688 2284

Email: [Sfiso.Ngcaku@rnm.gov.za](mailto:Sfiso.Ngcaku@rnm.gov.za) / [Ntombifuthi.Mzotho@rnm.gov.za](mailto:Ntombifuthi.Mzotho@rnm.gov.za)

Services rendered:

- Bylaw Enforcement
- Traffic
- Crime Prevention

Zonal Sections :-

Law Enforcement Zone 1 Hibberdene : Assistant Supt. E. Musa – 039-699 2021/073 196 1526

Law Enforcement Zone 2 Port Shepstone: Assistant Supt. A. Reddy – 039 – 688 3073/073 452 5088

Law Enforcement Zone 3 Shelly Beach – Assistant Supt. M. Arumogam – 076 408 4411

Law Enforcement Zone 4 Uvongo – Assistant Supt. B.S. Jingela – 083 736 2277

Law Enforcement Zone 5 Margate – Assistant Supt. D. Govender – 063 689 6561

Law Enforcement Zone 6 Port Edward – Assistant Supt. S.V. Ndovela – 073 450 3721

Law Enforcement Zone 7 Izingoleni -Assistant Supt. F.A. Mhlongo – 078 364 1051

#### 2.MOTOR LICENCING BUREAU

Manager MLB : Superintendent S.V. Goldsmith – 039 – 688 2255/ 083 226 7973

Senior Clerk : Ms Melanie Mohamed – contact 039 – 688 2255

Email: [Stephen.Goldsmith@rnm.gov.za](mailto:Stephen.Goldsmith@rnm.gov.za) / [Melanie.Modhamed@rnm.gov.za](mailto:Melanie.Modhamed@rnm.gov.za)

Supervisor MLB: Mrs. S. Naidoo - Contact number: 039 6882268

Email: [Sally.Naidoo@rnm.gov.za](mailto:Sally.Naidoo@rnm.gov.za)

Margate Licensing Office: Renewal of motor vehicle licence only

Ms. N.A. Boqwana / Contact number: 039 3128407

- Port Shepstone Registering Authority: Registration and Licensing of motor vehicles @ Old Post Office Building, Connor of Robinson & Reynolds Street:-
- Services provided are:-
  - Registration & Licensing of motor vehicles
  - Application of duplicate registration certificate iro motor vehicles
  - Application for deregistration of motor vehicles
  - Application for Temporary and Special Permits
  - Change of Personal, Business and Motor Vehicle particulars
  - Application of Traffic Register Number Certificate
  - Contact numbers: 039 6882259, 039 6882260, 039 6882262, 039 6882267

#### **Driving Licence Testing Centre -**

Senior Examiner : Mr Merwyn Moodley – Contact number: 074 9463 274

Email: [Merwyn.Moodley@rnm.gov.za](mailto:Merwyn.Moodley@rnm.gov.za)

Supervisor : Mrs G. Mdletshe – 039 – 688 2122/3

Email: [Gladness.Mdletshe@rnm.gov.za](mailto:Gladness.Mdletshe@rnm.gov.za)

- Services provided are :-
  - Application for Learner Licence Test and issue thereof
  - Application Driving Licence Test and issue thereof
  - Renewal of Driving Licence credit card
  - Conversion of Foreign Driving Licence

#### **4.PUBLIC TRANSPORT & ADMINISTRATION**

Manager: Superintendent R.W. Robinson

Physical Address: No. 3 Alexandra Road, Margate

Contact: 072 084 3128

Email: [Robbie.Robinson@rnm.gov.za](mailto:Robbie.Robinson@rnm.gov.za)

- Services Rendered are as follows:-
  - Receives traffic fines payments
  - Assists with representations on fines
  - Assists with applications for disable parking discs
  - Assists with taxis permits.
  - Deals with Outstanding Warrants of Arrests on Traffic Fines
  - Serves Summones that have not been paid
  - Assists with general traffic fine & taxi permit queries
  - Prepare Court Rolls for the Port Shepstone, Ramsgate, Umzumbe and Izingolweni courts
  - NB: Cashiers in Port Shepstone (Old Post Office Building)
  - NB: Cashiers in Margate Treasury Office

## **5.FIRE, RESCUE & DISASTER**

Manager: Fire Chief Mr Selwyn Naidoo

Physical Address: Oslo Beach Fire Station, 23 Alesund Road, Oslo Beach

Contact Number: 039 - 688 2095 / 082 418 2830

Station Commander - Pravesh Ramchander – 039-688 2131/2098/2110

Sea Slopes Fire Station

Fire Crew Margate 039-312 8416/7

Emergency Number: 039-682 5555

Control Room works 24 hours & Firefighters work 24 hours

Services provided are:-

- Emergency Services
- Fire Rescue
- Disaster
- Control Room – reporting of incidents/accidents

Employees: Law Enforcement (including office of the HOD Public Safety)					
TASK GRADE	2021/2022	2022/2023			
	Employees No.	Posts No.	Employees No.	Vacancies (Fulltime equivalents) No.	Vacancies (as a % of total posts) %
TG. 14 - 16	2	2	2	0	0%
TG. 9 - 13	46	59	44	15	25%
TG. 4 - 8	54	111	61	50	45%
TG. 3	2	2	2	0	0%
<b>Total</b>	104	174	109	65	37%

Financial Performance 2022-23: Law Enforcement					R'000
Details	2022-23				
	Original Budget	Adjustment Budget	Actual	Variance to Budget	
<b>Total Operational Revenue</b>	-	-	-	-	
Expenditure:					
Police Officers					
Other employees	16,852	16,603	20,813	(3,961)	
Repairs and Maintenance	-	-	-	-	
Other	1,065	780	332		
<b>Total Operational Expenditure</b>	17,917	17,383	21,145	0	
<b>Net Operational Expenditure</b>	17,917	17,383	21,145	0	
<i>Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.</i>					

T 3.20.5

Capital Expenditure 2022-23: Law Enforcement						R' 000
Capital Projects	2022-23					
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value	
Total All	0	0	0	0	0	
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).</i>						

T 3.20.6

### 3.13 Fire & Disaster Management

#### Introduction

The section is responsible for ensuring that the Municipality is properly equipped to respond to instances of fire and disaster. The section monitors the Municipality's disaster management plan and ensures that it is reviewed constantly. The section has introduced a 24-hour shift system which has seen response times improve greatly as staff no longer respond from their homes to emergencies.

The section is also responsible for inspections regarding fire safety at business premises etc. these are conducted on a daily basis and also it is involved in on-going basic awareness programmes including programmes for informal dwelling fires.

#### NUMBER OF INCIDENTS RESPONDED TO:

INCIDENTS	July. 22	Aug. 22	Sept. 22	Oct. 22	Nov. 22	Dec. 22	Jan. 23	Feb. 23	Mar. 23	Apr. 23	May 23	June 23	
MVAs	62	54	67	56	61	64	60	33	47	62	63	47	676
Structure Fires	17	18	26	14	21	15	07	15	12	16	14	14	189
Veld fires	82	68	35	15	14	06	21	16	18	57	08	36	376
Fallen trees	02	10	03	03	14	33	12	08	15	12	06	04	122
Vehicle on fire	02	02	01	02	04	02	05	05	03	03	05	02	36
Spillages	01	0	0	0	01	0	01	0	0	01	0	01	05
Drowning	0	0	0	0	0	01	0	0	0	0	0	01	02
Other	15	0	21	10	16	17	06	08	10	09	11	07	130
<b>TOTAL</b>													<b>1536</b>

## NUMBER OF INSPECTIONS CONDUCTED

Targets	July	Aug.	Sept	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	
<b>INSPECTIONS</b>	20	20	21	23	23	32	46	23	09	22	46	33	295

## DISASTER RISK REDUCTION AWARENESS PROGRAMMES

TARGET GROUP	QUARTER 1	QUARTER 2	QUARTER 3	QUARTER 4	TOTAL
SCHOOL AWARENESS	1	1	1	1	4
TRIBAL COURT	1	1	1	1	4
TAXI RANK	1	1	1	1	4
INFORMAL SETTLEMENT	1	1	1	1	4
<b>TOTAL</b>					<b>12</b>

## CCTV

CCTV has been installed in most Council Buildings apart from the Cameras monitoring CBD areas.

Employees: Fire & Disaster Management					
TASK GRADE	2021/2022	2022/2023			
	Employees No.	Posts No.	Employees No.	Vacancies (Fulltime equivalents) No.	Vacancies (as a % of total posts) %
TG. 14 - 16	1	1	1	0	0%
TG. 9 - 13	40	41	41	0	0%
TG. 4 - 8	14	26	23	3	12%
TG. 3	1	1	1	0	0%
<b>Total</b>	56	69	66	3	4%

Financial Performance 2022-23: Disaster Management				
R'000				
Details	2022-23			
	Original Budget	Adjustment Budget	Actual	Variance to Budget
<b>Total Operational Revenue</b>	176	176	139	37
Expenditure:				
Fire fighters	22,442	23,029	24,851	10%
Other employees	–	–	–	–
Repairs and Maintenance	3,161	2,861	2,428	-30%
Other	1,073	226	181	-494%
<b>Total Operational Expenditure</b>	(897)	(50)	(42)	-2047%
<b>Net Operational Expenditure</b>	1,073	226	181	-494%
<i>Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.</i>				
T 3.21.5				

Capital Expenditure 2022-23: Disaster Management					
R' 000					
Capital Projects	2022-23				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	5,340	2,375	1,464	-265%	
Computer Software	840	840	–	#DIV/0!	
Computer Equipment	3,000	–	1,438	-109%	
Machinery & Equipment	1,500	1,535	26	-5669%	
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).</i>					
T 3.21.6					



### 3.14 Motor Licensing and Testing Centre

#### Introduction:

The Licensing Section strives to afford quality services to all clients, the main tasks include registration and licensing of motor vehicles, conducting driving license tests as well as issuing thereof, examining applicants for learners' licenses, and issuing thereof,

The inspection of motor vehicles for roadworthiness and issuing of roadworthiness certifications.

MLB & DLTC data			
	Details	2021 – 2022	2022 - 2023
		Actual No.	
1	Total motor vehicles tested for road worthiness	<b>**None</b>	<b>**None</b>
2	Average turnout time for motor vehicle inspections	**None	**None
3	Total learner's licenses processed	6446	6116
4	Total driver's licenses processed	2679	2250
5	Total driver's licenses renewed	14770	15046
6	Total motor vehicle permits issued	3235	3176
7	Total motor vehicle licenses renewed	74186	71320
8	Average turnout time – learner's licenses	2 and half hours	3 hours
9	Average turnout time – driver's licenses	4-6 Weeks	3-4 Weeks

**\*\* The Testing Centre equipment is outdated and must be replaced by the Municipality – budget to be allocated**

Employees: MLB & DLTC					
TASK GRADE	2021/2022	2022/2023			
	Employees No.	Posts No.	Employees No.	Vacancies (Fulltime equivalents) No.	Vacancies (as a % of total posts) %
TG. 14 - 16	1	1	1	0	0%
TG. 9 - 13	7	7	7	0	0%
TG. 4 - 8	20	29	21	8	28%
TG. 3	1	4	1	3	75%
<b>Total</b>	29	41	30	11	27%

## Component G: Sport and Recreation

### 3.15 Sport and Recreation

The municipality through its Youth Development office has ensured that sports activities are part of the culture in our surrounding community. The municipality has ensured that it maintains its good relationship with the Ugu District Department of Sports and Recreation. The municipality itself also encourages communities to be involved in sports event as this leads to healthy lifestyle programmes within communities.

The municipality has supported the Department of Sports and Recreation in ensuring that sports development programmes are facilitated within local communities. The youth development unit has launched the sports federation in 2017 and it is still functional.

The municipality supports all local sports leagues. We have partnered with the Department of sports and recreation in hosting Ugu district Cross Country Championship at Malangeni MPCC (Umdoni) on 29 July 2022. In support of the 2023 Netball cup, the youth development unit through Netball federation has launched a “Netball Friday” which started with a motorcade from Port Shepstone town to Candel Sports ground (Qinabout) on 31 March 2023. National and provincial stakeholders attended the launch, and the cup was also showcased. The RNM Youth month sporting events are the annual events are some of the events that takes place in June. The main purpose of the games is to encourage the youth to participate in sports activities and to honour all fallen heroes who lost their lives during the times of struggle. These events have been hosted by the municipality for more than a decade successfully. The youth day commemoration also serves as a platform to communicate with the youth and to showcase the talent that we have. All June 2023 sporting events that were planned to take place were successfully conducted. The events include Cluster games held at Ugu Sports and Leisure on 18 June 2023. Youth development also supports the annual sports event that takes place at Shobeni sports ground on every 16<sup>th</sup> of June and other events at ward level.

The Special Programmes unit has ensured that we promote healthy lifestyle programmes amongst our elderly by hosting of the Golden games in August 2023 and the hosting of the sports day for the disabled members of our community has encouraged inclusive and participatory activities for all members of the community.

Through the Employee Wellness unit, the municipality has managed for the past years to successfully host an employee sports day, this allows employees to participate in various activities such as netball, soccer, volleyball, and other fun games. This tournament allows employees to compete and win trophies for their departments and the atmosphere is always jovial.

Through our Public Works section, the municipality strives to ensure that all communities have access to sports facilities and other public facilities (i.e., Halls, and crèches and outdoor gymnasium), the section remains one of the fundamental areas in terms of betterment of the livelihood of our communities by achieving the mandate of rural development precisely. It is highly critical in a sense of this nature that it plays a pivotal responsibility in eliminating the social ills in communities by construction of community halls, crèches, sport fields and general renovations of public facilities. These facilities are a catalyst amongst communities in realized social cohesion which in turn is a positive manner of bringing harmony and tolerance amongst diverse cultural individuals in their respective communities.

Through such positives there are negative elements realized for instance an unclear operations and maintenance programme from the Municipal Infrastructure Grant that require an urgent attention because public facilities especially in the rural areas are highly subjected to extreme vandalism.

## Component H: Corporate Policy Offices and Other Services

### 3.16 Executive and Council

#### Introduction

The Office of the Municipal Manager is assisted in its functions through the following units within the Municipality:

**Internal Audit:** The unit provides independent assurance regarding the financial performance of the municipality and its performance against set targets in the Service Delivery Budget Implementation Plan. The Internal Audit unit reports directly to the Accounting Officer and the Audit Committee. The Manager of the unit sits in all the major committees and remains independent of the Administration.

**Risk Management:** The municipality has heeded the call from the office of the Auditor General and is working towards ensuring that it tackles areas of concern that affect its reporting processes. One of the means identified was the establishment of the risk management office and this is a step that was well supported by Council and the administration. The Risk management officer sits in all the major committees and a Risk monitoring committee has been established to continuously monitor risk as there is a constant need to detect and respond to diverse risks affecting the operations of the municipality.

The Strategic Planning & Governance Department ensures that strategic guidance is provided regarding municipal functions, how municipality engages with the public, addressing the media and communicating with relevant stakeholders. Media briefings are now held monthly and this has ensured more open and frequent communication with local media houses to assist in providing accurate feedback.

The Department is responsible for some key functions that assist council carry out its duties, there are 2 Caucus secretaries who assist councillors administratively. Izimbizo (Public Meetings) are facilitated through the Speaker's office which reports to the Head of this Department, the Special Programmes unit which assists in ensuring support is given to vulnerable members of our community also reports under this Department.

The Integrated Development plan, and performance management functions are duties of this Department that requires immense public engagements to ensure that the Municipality is planning and reporting based on community needs. The Department therefore ensures the

accountability of the Municipality to the community and continues to find ways of improving its services which will lead to better service delivery.

The Youth Development unit is responsible for facilitating projects that assist in youth participation within the municipality. The unit oversees the hosting of the annual youth summit which assists in public consultation of youth structures and NGOs. The unit has assisted in reviving the local youth councils, and this structure is responsible for ensuring that consultation on youth matters is conducted. Business seminars are hosted by the unit which help empower and motivate youth who are small business owners/entrepreneurs. The unit helped launch the “Queen of high schools” beauty pageant which has gained major traction in empowering high school girls through the life skills and mentoring programmes they get to be a part of. Unemployed youth are targeted through training sessions on life skills and leadership programmes. Career guidance EXPOs and counselling for high school pupils are conducted in partnership with Department of Education, Eskom, SAICA and other tertiary institutions. The unit also facilitates the Mayoral registration fee programme which assists students who are financially disadvantaged to afford registration at tertiary institutions. The unit also plays a major role in sports development amongst the youth within the local wards and helped launch the sports federation within the municipal area.

The Customer Care and Stakeholder Relations plays a pivotal role in ensuring that the Municipality enhances its customer care focus, these are some of the tasks the section is responsible for:

Switchboard operations;

Collating telephone calls and instrument costs;

Compiling of database on all complaints received from the community regarding service delivery;

Distribution of complaints to the relevant departments; and

Responding to complainants once feedback has been received from relevant departments.

The Municipality through this section launched its Customer Services Charter and has seen increased positive feedback from the community.

Employees: Public Works, Project Management & Facilities Management					
TASK GRADE	2021/2022	2022/2023			
	Employees No.	Posts No.	Employees No.	Vacancies (Fulltime equivalents) No.	Vacancies (as a % of total posts) %
TG. 14 - 16	2	2	2	0	0%
TG. 9 - 13	8	10	9	1	10%
TG. 4 - 8	9	12	9	3	25%
TG. 3	3	9	3	6	67%
<b>Total</b>	22	33	23	10	30%

Financial Performance 2022- 23: The Executive and Council				
				R'000
Details	2022-23			
	Original Budget	Adjustment Budget	Actual	Variance to Budget
<b>Total Operational Revenue</b>	260,646	260,646	260,646	0%
Expenditure:				
Employees	1,117	1,216	604	-85%
Repairs and Maintenance	-	70	(3)	100%
Other	33,284	33,474	31,552	-5%
<b>Total Operational Expenditure</b>	34,401	34,760	32,153	-7%
<b>Net Operational Expenditure</b>	226,245	225,886	228,493	1%
<i>Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.</i>				
				T 3.24.5

Capital Expenditure 2022-23: The Executive and Council					
					R' 000
Capital Projects	2022-23				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	-	-	-	-	
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i>					
					T 3.24.6

### 3.17 Financial Services (Treasury)

The municipality's financial services office is made up of the following units:

**Budget Office:** Responsible for preparing the budget and related policies. This section has also ensured that the Municipality's Annual Financial Statements are prepared in-house with vast improvement over the past 3 years and this is evident in the Unqualified opinion (with other matters) expressed by the Auditor General's office during the past financial year audits and the current year's audit.

**Expenditure Management:** Responsible for monitoring payments made to service providers, ensuring that controls exist regarding the municipality's contract management and that all payments made by the municipality have followed the proper control process.

**Procurement:** Responsible for monitoring controls over the Supply chain management process and ensuring that controls exist to mitigate against any risks that might affect the supply chain processes. The unit oversees procurement process from minor purchase order, mini tenders to open bid tenders and reports on the system in place to Provincial and National Treasury as stipulated in the MFMA.

**Assets Management:** Responsible for monitoring and maintenance of all the municipal assets and safekeeping of all assets. Performing physical verification of assets and ensuring that the municipality maintains a GRAP compliant assets register.

**Revenue:** Responsible for revenue collection, the process of updating the valuation roll, billing services, providing assistance to ratepayers regarding accounts queries.

Outstanding debt is still a concern for the municipality therefore one of our main priorities is to continue being focused on debt collection. To improve on this endeavour the municipality went on tender to appoint a panel of attorneys to assist with certain cases where our own Credit Control Section has been unable to collect. The target was set to achieve at least **83%** of what was billed during the year and by the end of the financial year we actually achieved a collection rate of **93%**.

The second General Valuation Roll came into effect on 1 July 2020 and is valid to 30 June 2021. The contracts of the Valuation Appeal Board members, as established by the MEC, ended in



December 2013 and a new board was established and commenced with hearing the appeals lodged with the municipality in the new financial year.

Electricity losses still present a major challenge to the municipality so in the new-year the municipality proposes to conduct a meter audit with the intention to identify where the losses are emanating from and work on measures to reduce these losses.

<b>Debt Recovery</b>					
<b>Details</b>	<b>2021-22</b>		<b>2022-23</b>		
	<b>Actual accounts billed in year</b>	<b>Proportion of accounts value billed that were collected in the %</b>	<b>Billed in the year</b>	<b>Actual for accounts billed in the year</b>	<b>Proportion of accounts value billed that were collected%</b>
Property rates	464,477	97.00%	492,118	486,141	99%
Electricity Billing	157,558	92.00%	170,943	153,095	90%
Refuse	57,384	84.00%	65,748	59,334	90%
Other	30,190	143.00%	585,149	9,588	2%

<b>Employees: Treasury</b>					
<b>TASK GRADE</b>	<b>2021/2022</b>	<b>2022/2023</b>			
	<b>Employees No.</b>	<b>Posts No.</b>	<b>Employees No.</b>	<b>Vacancies (Fulltime equivalents) No.</b>	<b>Vacancies (as a % of total posts) %</b>
TG. 14 - 16	5	5	5	0	0%
TG. 9 - 13	24	29	24	5	17%
TG. 4 - 8	42	51	43	8	16%
TG. 3	0	2	0	2	100%
<b>Total</b>	71	87	72	15	17%

Financial Performance 2022-23: Financial Services (Treasury)						R'000
Details	2021-22	2022-23				
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget	
<b>Total Operational Revenue</b>	493,849	528,527	5,294,641	531,035	0%	
Expenditure:						
Employees	44,908	60,903	58,686	41,878	-45%	
Repairs and Maintenance	-	-	-	-	-	
Other	74,209	184,591	184,391	206,237	10%	
<b>Total Operational Expenditure</b>	119,117	245,495	243,076	248,115	1%	
<b>Net Operational Expenditure</b>	374,732	283,032	5,051,565	282,921	0%	
<i>Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.</i>						T 3.25.5

Capital Expenditure 2022-23: Financial Services (Treasury)						R' 000
Capital Projects	2022-23					
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value	
Total All	945	1,395	2,877	0		
Computer Equipment	555	553	1,882	71%	273	
Furniture and Office Equipment	380	298	279	-36%	274	
Machinery & Equipment	10	545	717	99%	275	
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).</i>						T 3.25.6

3.18 Legal Services, Human Resources, Skills development, Fleet Management and Estates administration

**Legal Services:** The unit is responsible for all legal administration involving the municipality, reviewing of by-laws and ensuring that the municipality keeps abreast of the latest legal developments

**Human Resources:** The unit is responsible for all matter of recruitment, labour relations, and ensuring that the municipality is sourcing out and employing the necessary skilled labour in order to meet its objectives as per the Integrated Development Plan.

### 3.18 Information and Communication Technology (ICT) Services

#### Introduction

RNM Communication and Information Technology Provide access to information users and network services.

RNM ICT responsible for provision of the following:

- User Access and termination control
  - IT Security Management
  - Management of email/internet security
  - Server Maintenance and software installations
  - Management of licensing
  - Management of UPS throughout the municipality
  - RNM Web Site
  - Cloud services Microsoft Office 365
  - Virtual Data Centers
  - Printing solutions
  - Virtual Meetings
  - End user Support

During the financial year, the ICT unit completed the following milestones:

- Upgraded Antivirus to latest version
- Upgraded Backup software to latest version.
- Web Site Development
- Resolved all AG queries.
- Local area network upgrade-Fiber Installations: Technology Hub, Margate, Wellness Centre, Caddies and Southbroom
- Bulwer Street – Public Safety – Traffic Fines and Motor Licensing – new network
- Implementation of GFI Lan Guard – Network monitoring
- Salaries Server upgrades
- Financial Server upgrades

- Recommission DNS servers
- Upgrade of Network Switches
- Review of IT policies
- Implementation of firewall policy
- Disaster Recovery Testing
- Upgrade to email/internet filtering
- Office 365 migration
- Deployment of Councilor devices/Training
- Workshops and Conferences

Employees: Information Communication Technology (ICT)					
TASK GRADE	2021/2022	2022/2023			
	Employees No.	Posts No.	Employees No.	Vacancies (Fulltime equivalents) No.	Vacancies (as a % of total posts) %
TG. 14 - 16	1	1	1	0	0%
TG. 9 - 13	6	6	6	0	0%
TG. 4 - 8	1	1	1	0	0%
TG. 3	0	0	0	0	
<b>Total</b>	<b>8</b>	<b>8</b>	<b>8</b>	<b>0</b>	<b>0%</b>

Financial Performance 2022 - 23: Information Technology Services				
				R'000
Details	2022 -23			
	Original Budget	Adjustment Budget	Actual	Variance to Budget
<b>Total Operational Revenue</b>	-	-	-	-
Expenditure:				
Employees	5,756	6,171	6,200	7%
Repairs and Maintenance	-	-	-	0%
Other	749	393	197	-281%
<b>Total Operational Expenditure</b>	<b>6,505</b>	<b>6,564</b>	<b>6,397</b>	<b>-2%</b>
<b>Net Operational Expenditure</b>	<b>(6,505)</b>	<b>(6,564)</b>	<b>(6,397)</b>	<b>-2%</b>

Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.

T 3.27.5

Capital Expenditure 2022 - 23: Information Technology Services					
					R' 000
Capital Projects	2022 - 23				Total Project Value
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	
Total All	800	2,000	-	#DIV/0!	
IT Equipment	800	2,000	-	0%	
<p>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).</p>					

T 3.27.6

### 3.20 Meetings, Administration and Registry services

#### **Introduction**

During the period under review, the Meetings and Administration Section comprised of four functional units which rendered support service to Council and the administrative units of the Municipality as follows:

#### **Administration:**

- Procurement of Department
- Promulgation of notices and bylaws in KZN Provincial Gazette;
- Publishing of notices in local and national newspapers;
- Compiling of Council's Annual Meetings Calendar
- Updating of the Standing Rules and Order of Council and its Committees;
- Updating Terms of Reference for meetings of Council;
- Updating of Council's bylaws and Policy database;
- Provision statutory (auxiliary) and administrative support to Council and its committees;
- Manages the formulation tender documents, contracts and controls contractual obligations on leases of photocopiers for RNM
- Manages the formulation tender documents, contracts and controls contractual obligations on external leased office space - Office Accommodation

#### **Meetings unit:**

- Preparation and distribution of agendas;
- Minuting of meetings;
- Circulation of action sheets and resolution monitoring list; and
- Preparations for Executive Committee; Council, portfolio committee; sub-committee and bid committee meetings

### Records Management unit:

- Provide Records management through the implementation of procedures and systems associated with controlling document flow and audit requirements regulating recordkeeping:
- Recording of postage – incoming and outgoing;
- Filing of all meetings resolutions: e.g. Bid Committees/Exco/Council/PFC/MPAC/Audit/Revenue and Debt Management/LLF etc.
- Rendering administrative assistance to directorate/councillors/public; and
- Opening and recording of tender documents; including
- Provision of document printing – agendas etc

### Courier Services

- Collection of mail – internally and externally
- Documenting and circulation of all mail
- Provision of certified resolutions; and
- Commissioner of Oath Services

<b>Employees: Meetings and administration and registry services</b>					
<b>TASK GRADE</b>	<b>2021/2022</b>	<b>2022/2023</b>			
	<b>Employees No.</b>	<b>Posts No.</b>	<b>Employees No.</b>	<b>Vacancies (Fulltime equivalents) No.</b>	<b>Vacancies (as a % of total posts) %</b>
TG. 14 - 16	1	1	1	0	0%
TG. 9 - 13	9	8	8	0	0%
TG. 4 - 8	7	7	6	1	14%
TG. 3	4	4	4	0	0%
<b>Total</b>	21	20	19	1	5%

### 3.21 Employee wellness

#### Introduction

Employee Wellness section aims to provide wellness and EAP programmes to Ray Nkonyeni Municipality employees. Monthly statistics show that Ray Nkonyeni Municipality employees are aware of assistance, support, advice, and the kind of therapeutic intervention offered at the Wellness centre.

#### Wellness centre

Description	Jan – Mar 2022	April – June 2022	July – Sep 2022	Oct – Dec 2022	Jan – Mar 2023
<b>Consultations</b>	0 Consultations due to newly appointed Wellness nurse, Medication and Equipment were procured through the appointed service provider.	Consulted with 96 employees	Consulted with 232 employees	Consulted with 330 employees	Consulted with 263 employees
<b>Acute and Chronic Diseases</b>	0 Consultations	Consulted with 10 employees on Minor ailments and 0 chronic for the month of April 2022.  Consulted with 23 employees on Minor ailments and 0 chronic for the	Consulted with 51 employees on Minor ailments and 3 chronic for the month of July 2022.  Consulted with 51 employees on Minor ailments and 3 chronic for the	Consulted with 100 employees on minor ailments and 2 chronic for the month October 2022.  Consulted with 170 employees on minor ailments and 7 chronic for the	Consulted with 100 employees on minor ailments and 8 chronic for the month January 2023.  Consulted with 65 employees on minor ailments and 5 chronic for the



		<p>month of May 2022</p> <p>Consulted 63 employees on Minor ailments and 2 chronic for the month of June 2022.</p>	<p>month of August 2022.</p> <p>Consulted with 130 employees on Minor ailments and 5 chronic for the month of September 2022.</p>	<p>month of November 2022.</p> <p>Consulted with 60 employee on minor ailments and 5 chronic for the month December 2022</p>	<p>month February 2023</p> <p>Consulted with 98 employees on minor ailments and 3 chronic for the month March 2023</p>
<b>Referrals</b>	0 Referrals were made	<p>0 referrals for the month of April 2022.</p> <p>1 referrals on the month of May 2022.</p> <p>3 referrals on the month of June 2022.</p>	<p>0 referrals for the month of July 2022.</p> <p>0 referrals for the month of August 2022.</p> <p>6 referrals for the month of September 2022.</p>	<p>8 referrals on the month October 2022.</p> <p>5 referrals on the month November 2022.</p> <p>0 referral on the month December 2022.</p>	<p>0 referrals on the month January 2023.</p> <p>0 referrals on the month February 2023.</p> <p>0 referral on the month March 2023.</p>

<b>Awareness campaigns</b>	Health Awareness Campaign was conducted in the month of March 2022.	Conducted Health and Wellness roadshows together with the panel of service providers appointed by the Municipality on the 18 <sup>th</sup> and 19 <sup>th</sup> May 2022.	Health Awareness Campaign was conducted a Men's Indaba on the 28 <sup>th</sup> of July 2022	The section conducted an awareness campaign on Breast Awareness for all females of RNM in the month of October 2022.  Hepatitis B roll out campaign conducted for all firefighters of RNM in the month of October 2022.  Hosted the RNM Sport day Awareness and Financial Awareness Day for all RNM employees on the 7 <sup>th</sup> December 2022.	Health Awareness campaign was conducted on the 21 <sup>st</sup> and 22 <sup>nd</sup> February 2023.
<b>EAP Consultations</b>	Consulted with 6 employees for psycho-social support.	Consulted with 18 employees for psycho-social support	Consulted with 13 employees for psycho-social support.	Consulted with 13 employees for psycho-social support	Consulted with 15 employees for psycho-social support

					for the month January 2023
<b>EAP Referrals</b>	There was 1 referral to the external service provider in the month of January 2022.	1 referral in the month April 2022 to an external appointed therapist	0 referrals in the month July 2022 to an external appointed therapist	0 referrals in the month October 2022 to an external appointed therapist	0 referral in the month of January 2023 to an external appointed therapist.
	There were 2 referrals to the external service provider in the month of February 2022.	3 referrals in the month May 2022 to an external appointed therapist	0 referrals in the month August 2022 to an external appointed therapist	0 referral in the month November 2022 to an external appointed therapist.	0 referrals in the month of February 2023 to external appointed therapist.
	There were 2 referrals to the external provider in the month of March 2022.	3 referrals in the month June 2022 to an external appointed therapist	0 referrals in the month September 2022 to an external appointed therapist	1 referral in the month of December 2022 to an external appointed therapist.	0 referrals in the month of March 2023 to external appointed therapist.

<b>EAP Workshops</b>	EAP Dialogue on Financial management workshop was conducted in the month of March 2022  Healthy lifestyle awareness was conducted in the month of March 2022	EAP Financial management and mental health workshop was conducted from the 18 <sup>th</sup> & 19 <sup>th</sup> of May 2022.  Healthy lifestyle awareness was conducted from the 18 <sup>th</sup> to 19 <sup>th</sup> May 2022.	EAP workshop (Women's Day Event) was conducted on the 24 <sup>th</sup> of August 2022.  EAP Wellness hosted the Inter-departmental Heritage Day Competition for all RNM employees on the 29 <sup>th</sup> September 2022.	EAP section conducted an awareness Financial campaign for all females of RNM in the month of October 2022.  Hosted the RNM Sport day Awareness and Financial Awareness Day for all RNM employees on the 7 <sup>th</sup> December 2022.	Financial Awareness campaign was conducted on the 21 <sup>st</sup> and 22 <sup>nd</sup> February 2023.
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Employees: Employee Wellness & Labour Relations					
TASK GRADE	2021/2022	2022/2023			
	Employees No.	Posts No.	Employees No.	Vacancies (Fulltime equivalents) No.	Vacancies (as a % of total posts) %
TG. 14 - 16	1	1	1	0	0%
TG. 9 - 13	4	4	4	0	0%
TG. 4 - 8	1	1	1	0	0%
TG. 3	0	0	0	0	
<b>Total</b>	6	6	6	0	0%

Financial Performance 2022-23: Employee Wellness					
R'000					
Details	2021-22	2022-23			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
<b>Total Operational Revenue</b>	–	–	–	–	0
Expenditure:					
Employees	2,014	2,061	2,127	2,143	0.04
Repairs and Maintenance	–	–	–	–	-
Other	2,633	2,717	3,216	5,300	0.49
<b>Total Operational Expenditure</b>	4,647	4,778	5,343	7,443	0.36
<b>Net Operational Expenditure</b>	4,647	4,778	5,343	7,443	0.36
<i>Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.</i>					
T 3.17.5					

Capital Expenditure 2022-23: Employee Wellness					
R' 000					
Capital Projects	2022-23				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Medical equipment 2023	60	60	–		
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).</i>					
T 3.17.6					

Component I: Organisational Performance Scorecard (Separate attachment Annexure A)

## Chapter 4 – Organisational Development Performance (Performance Report Part 2)

### Component A: Introduction to the Municipal Personnel

#### 4.1 Employee Totals, Turnover and Vacancies

EMPLOYEES				
Description	2022/2023			
	Approved posts no.	Employees no.	Vacancies no.	Vacancies %
Strategic Planning and Governance (Inc OMM)	53	44	9	16,98%
HR, Legal Services, Fleet, Office of HOD & Estates	29	27	2	6,90%
Treasury	88	73	15	17,05%
ICT	8	8	0	0,00%
Meetings Administration	20	19	1	5,00%
Arts & Cultural Services	97	78	19	19,59%
Cemeteries & Crematoriums (including waste min)	35	20	15	42,86%
Environmental Management	7	6	1	14,29%
Employee Wellness & Labour Relations	6	6	0	0,00%
Law Enforcement (including office of HOD)	175	110	65	37,14%
Fire & Disaster Management	69	66	3	4,35%
Aquatic Safety	17	16	1	5,88%
Public Works (Projects Management & Facilities Management)	33	23	10	30,30%
Waste Management & Cleansing (inc EPWP and Office of HOD)	482	334	148	30,71%
Development Planning (Office of HOD, Building Control, Town Planning, )	37	24	13	35,14%
Local Economic Development (inc Aviation, technology Hub and LED)	33	17	16	48,48%
Housing & Office of the HOD	10	10	0	0,00%
ISD	0	0	0	0,00%
Electricity & Mechanical Engineering	45	41	4	8,89%
Roads	174	94	80	45,98%
MLB & DLTC	41	30	11	26,83%
<b>Totals</b>	<b>1459</b>	<b>1046</b>	<b>413</b>	<b>28,31%</b>

**Vacancy Rate: 2022 -2023**

Designations	Total approved posts	Vacancies (Total time that vacancies exist using fulltime equivalents)	Vacancies (as a proportion of total posts in each category)
	No.	No.	%
Municipal Manager	1	0	0,00%
CFO	1	0	0,00%
Other S57 Managers (excluding Finance posts)	6	2	33,33%
Management levels 14-16 (Including Senior Town Planners and excluding Finance posts)	40	3	7,50%
Management levels: 14-16 (Finance posts)	5	0	0,00%
Skilled Supervision: 9 - 13	306	46	15,03%
Semi-skilled: levels : 4 - 7	582	158	27,15%
Unskilled: Levels: 0 -3	518	204	39,38%
<b>Totals</b>	<b>1459</b>	<b>413</b>	<b>28,31%</b>

**Turn-over Rate**

Details	Total employees at the beginning of Financial year	Terminations during the Financial year	Turn-over Rate
	No.	No.	
<b>2022/2023</b>	1051	54	<b>5,14%</b>



## Component B: Managing the Municipal Workforce

### 4.2 Policies

HR Policies and Plans			
	Name of policy	Completed %	Reviewed %
1	Talent Management and Succession Planning	100%	0
2	Recruitment and Selection Policy	100%	100%
3	Staff Placement Policy	100%	
4	Transfer and secondment Policy	100%	100%
5	Leave Management Policy	100%	0
6	Sexual Harassment in the workplace Policy	100%	0
7	Policy on payment of cost of new appointment's furniture removals	100%	
8	Policy on overtime in the workplace	100%	0
9	Acting Policy	100%	100%
10	Disciplinary Procedure (Collective Agreement)	100%	
11	Tuition Assistance Policy	100%	
12	Training and Development Policy	100%	
13	Leave Management Policy	100%	
14	Exit Management Policy	100%	
15	Individual Performance Management Policy	100%	100%
16	Induction Policy	100%	
17	Probation Policy	100%	

### 4.3 Performance Rewards

The Municipal Manager (MM) and Head of Departments (S57) receive performance bonuses based on their performance contracts and how they performed with regards to their scorecards and ratings as per their performance contract. For the 2022-2023 financial year the performance reviews were conducted on the 10<sup>th</sup> and the 24<sup>th</sup> of May 2023 and performance bonuses were awarded to the qualifying Heads of Departments and Municipal Manager.

## Component C: Capacitating the Municipal Workforce

### 4.4 Skills Development and Training

Skills Matrix										
Management Level	Gender	Employees in Post as at 30 June 2023	Number of skilled employees required and actual as at 30 June 2021							
			Learnerships		Skills programmes & other short courses		Other forms of training		Total	
			No.	Actual 2022-23	Target 2022-23	Actual 2022-23	Target 2022-23	Actual 2022-23	Target 2022-23	Actual 2022-23
<b>MM &amp; S57</b>	Male	6	0	0	0	5	0	5	0	05
	Female	2	0	0	1	2	0	1	1	02
<b>Councillors, senior officials and managers</b>	Male	57	0	0	6	27	6	8	1	26
	Female	49	0	0	2	20	1	12	0	25
<b>Technicians and associate Professionals</b>	Male	39		0	6	5	0	0	0	05
	Female	19	0	0	8	3	0	0	8	03
<b>Professionals</b>	Male	20	0	0	5	17	5	5	5	23
	Female	27	0	0	4	5	7	5	11	11
<b>Sub total</b>	Male	129	0	0	17	54	11	16	6	59
	Female	108	0	0	15	30	8	13	20	41
<b>Total</b>		<b>456</b>	<b>0</b>	<b>0</b>	<b>64</b>	<b>168</b>	<b>38</b>	<b>65</b>	<b>52</b>	<b>203</b>

Financial Competency Development: Progress Report						
Description	(A) Total number of officials employed by municipality	(B) Total number of officials employed by municipal entities	Consolidated: Total A & B	Consolidated: Competency assessments completed for A & B	Consolidated: Total number of officials whose performance agreements comply with regulation 16	Consolidated: Total number of officials that meet prescribed competency levels
Financial Officials						
Accounting Officer	1	0	1	1	1	1
Chief Financial Officer	1	0	1	1	1	1
Head of Department	6	0	6	6	6	6
Any other financial officials	0	0	0	0	0	0
Supply Chain Management Officials	0	0	0	0	0	0
SCM Managers	1	0	1	1	1	1
<b>Total</b>	<b>9</b>	<b>0</b>	<b>9</b>	<b>9</b>	<b>9</b>	<b>9</b>

Skills Development Expenditure								
R								
Management Level	Gender	Employees in Post as at 30 June 2023	Original Budget and Actual Expenditure on Skills Development 2022-23					
			Skills programmes & other short courses		Other forms of training		Total	
			No.	Original Budget	Actual	Original Budget	Actual	Original Budget
MM & S57	Male	6	140000	0	120000	40000	260000	40000
	Female	2	60000	25000	20000	18000	80000	43000

<b>Councillors, senior officials and managers</b>	Male	61	100000	0	100000	24330	200000	24330
	Female	43	200000	0	100000	0	300000	-
<b>Technicians and associate Professionals</b>	Male	41	120000	75000	100000	-	220000	75000
	Female	19	60000	35000	30000	22854	90000	57854
<b>Professionals</b>	Male	23	40000	36980	70000	0	110000	36980
	Female	64	100000	72000	90000	11000	190000	73100
<b>Sub total</b>	Male	131	400000	111 980	390000	64330	570000	510000
	Female	103	520000	1132000	240000	51854	240000	119404
<b>Total</b>		<b>226</b>	<b>920000</b>	<b>164485</b>	<b>630000</b>	<b>75330</b>	<b>810000</b>	<b>239775</b>

## Chapter 5 – Financial Performance

### 5. 1 Component A: Statements of Financial Performance

KZN216 Ray Nkonyeni - Table C1 Monthly Budget Statement Summary - M12 June

Description	2021/22	Budget Year 2022/23							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>									
<b>Financial Performance</b>									
Property rates	454 477	498 623	492 118	(5 283)	480 199	492 118	(11 919)	-2%	492 118
Service charges	214 942	253 618	236 691	13 055	213 390	236 691	(23 301)	-10%	236 691
Investment revenue	5 182	5 397	7 067	835	9 505	7 067	2 438	35%	7 067
Transfers and subsidies	257 076	285 102	285 279	-	277 636	285 279	(7 643)	-3%	285 279
Other own revenue	141 612	131 888	118 573	12 570	94 517	118 573	(24 055)	-20%	118 573
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>1 083 288</b>	<b>1 174 628</b>	<b>1 139 727</b>	<b>20 177</b>	<b>1 075 248</b>	<b>1 139 727</b>	<b>(64 479)</b>	<b>-6%</b>	<b>1 139 727</b>
Employee costs	446 000	447 279	462 586	38 887	459 649	462 586	(2 938)	-1%	462 586
Remuneration of Councillors	26 249	31 434	31 434	2 414	29 567	31 434	(1 867)	-6%	31 434
Depreciation & asset impairment	93 859	101 619	101 619	-	75 168	101 619	(26 451)	-26%	101 619
Finance charges	19 931	12 922	12 902	340	1 359	12 902	(11 543)	-89%	12 902
Inventory consumed and bulk purchases	136 545	149 809	149 951	9 132	119 115	149 951	(30 837)	-21%	149 951
Transfers and subsidies	9 890	13 178	13 078	5 958	10 721	13 078	(2 357)	-18%	13 078
Other expenditure	392 589	415 344	399 128	46 152	348 524	399 128	(50 604)	-13%	399 128
<b>Total Expenditure</b>	<b>1 125 063</b>	<b>1 171 585</b>	<b>1 170 699</b>	<b>102 881</b>	<b>1 044 102</b>	<b>1 170 699</b>	<b>(126 596)</b>	<b>-11%</b>	<b>1 170 699</b>
Surplus/(Deficit)	(41 775)	3 043	(30 971)	(82 705)	31 146	(30 971)	62 117	-201%	(30 971)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	146 929	132 360	193 287	-	125 477	193 287	(67 810)	-35%	193 287
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions) & Transfers and subsidies - capital (in-kind - all)	18 612	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>123 767</b>	<b>135 403</b>	<b>162 316</b>	<b>(82 705)</b>	<b>156 623</b>	<b>162 316</b>	<b>(5 693)</b>	<b>-4%</b>	<b>162 316</b>
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
<b>Surplus/ (Deficit) for the year</b>	<b>123 767</b>	<b>135 403</b>	<b>162 316</b>	<b>(82 705)</b>	<b>156 623</b>	<b>162 316</b>	<b>(5 693)</b>	<b>-4%</b>	<b>162 316</b>
<b>Capital expenditure &amp; funds sources</b>									
Capital expenditure	187 654	180 739	230 756	54 952	215 849	230 756	(14 907)	-6%	230 756
Capital transfers recognised	138 668	115 052	168 076	26 235	161 949	168 076	(6 127)	-4%	168 076
Borrowing	1 867	7 166	7 976	3 093	6 094	7 976	(1 882)	-24%	7 976
Internally generated funds	33 256	58 521	54 704	25 625	47 806	54 704	(6 898)	-13%	54 704
<b>Total sources of capital funds</b>	<b>173 791</b>	<b>180 739</b>	<b>230 756</b>	<b>54 952</b>	<b>215 849</b>	<b>230 756</b>	<b>(14 907)</b>	<b>-6%</b>	<b>230 756</b>
<b>Financial position</b>									
Total current assets	630 629	553 761	672 729	-	729 450	-	-	-	672 729
Total non current assets	1 987 740	1 878 708	2 116 876	-	2 128 421	-	-	-	2 116 876
Total current liabilities	345 217	321 834	370 177	-	420 208	-	-	-	370 177
Total non current liabilities	191 699	150 842	176 331	-	199 309	-	-	-	176 331
Community wealth/Equity	2 081 453	1 959 793	2 243 097	-	2 238 354	-	-	-	2 243 097
<b>Cash flows</b>									
Net cash from (used) operating	348 279	167 979	191 796	(35 171)	92 378	191 796	99 418	52%	191 796
Net cash from (used) investing	(185 208)	(179 130)	(237 264)	(63 910)	(243 654)	(237 264)	6 390	-3%	(237 264)
Net cash from (used) financing	(35 009)	(19 098)	(19 098)	(3 337)	(38 876)	(4 359)	34 517	-792%	(19 098)
<b>Cash/cash equivalents at the month/year end</b>	<b>270 949</b>	<b>112 823</b>	<b>67 025</b>	<b>-</b>	<b>(58 489)</b>	<b>81 764</b>	<b>140 252</b>	<b>172%</b>	<b>67 098</b>
<b>Debtors &amp; creditors analysis</b>									
	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total
<b>Debtors Age Analysis</b>									
Total By Income Source	37 790	9 496	19 378	17 340	14 873	13 773	12 870	14 179	139 700
<b>Creditors Age Analysis</b>									
Total Creditors	6 479	-	-	-	-	-	-	-	6 479

## 5.1.1 Financial Performance of Operational Services

KZN216 Ray Nkonyeni - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M12 June

Vote Description	Ref	2021/22 Audited Outcome	Budget Year							
			Original Budget	Adjusted Budget	Monthly Actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>										
<b>Revenue by Vote</b>										
Vote 1 - Mayor and Council	1	234 071	260 648	260 648	-	257 607	260 648	(3 039)	-1.2%	260 648
Vote 2 - Finance and Administration		517 012	530 657	531 591	(1 090)	526 099	531 591	(5 492)	-1.0%	531 591
Vote 3 - Internal Audit		-	-	-	-	-	-	-	-	-
Vote 4 - Community and Social Services		16 610	15 739	15 939	79	13 623	15 939	(2 317)	-14.5%	15 939
Vote 5 - Sport and Recreation		63	48	48	-	28	48	(20)	-41.7%	48
Vote 6 - Public Safety		30 879	24 971	32 081	5 604	25 279	32 081	(6 802)	-21.2%	32 081
Vote 7 - Housing		48 708	56 832	27 824	38	8 105	27 824	(19 720)	-70.9%	27 824
Vote 8 - Health		-	-	-	-	-	-	-	-	-
Vote 9 - Planning and Development		156 851	132 124	174 508	370	105 677	174 508	(68 831)	-39.3%	174 508
Vote 10 - Road Transport		12 204	10 941	33 241	1 210	31 297	33 241	(1 943)	-5.8%	33 241
Vote 11 - Environment Protection		411	392	418	102	384	418	(34)	-8.1%	418
Vote 12 - Energy Sources		162 773	189 193	177 279	13 432	159 639	177 279	(17 641)	-10.0%	177 279
Vote 13 - Other		1 166	4 228	883	41	565	883	(318)	-36.1%	883
Vote 14 - Waste Water Management		-	-	-	-	-	-	-	-	-
Vote 15 - Waste Management		68 081	81 218	78 556	391	72 224	78 556	(6 332)	-8.1%	78 556
<b>Total Revenue by Vote</b>	<b>2</b>	<b>1 248 880</b>	<b>1 808 868</b>	<b>1 833 016</b>	<b>20 177</b>	<b>1 200 726</b>	<b>1 833 016</b>	<b>(182 289)</b>	<b>-8.9%</b>	<b>1 833 016</b>
<b>Expenditure by Vote</b>										
Vote 1 - Mayor and Council	1	39 390	42 854	49 201	3 540	44 795	49 201	(4 406)	-9.0%	49 201
Vote 2 - Finance and Administration		329 346	334 780	329 234	20 487	262 554	329 234	(66 680)	-20.3%	329 234
Vote 3 - Internal Audit		72 064	76 612	66 766	7 649	63 479	66 766	(3 287)	-3.8%	66 766
Vote 4 - Community and Social Services		35 429	39 877	37 915	4 058	38 701	37 915	786	2.1%	37 915
Vote 5 - Sport and Recreation		5 037	5 424	5 206	518	5 074	5 206	(132)	-2.5%	5 206
Vote 6 - Public Safety		97 698	91 290	99 600	10 027	98 575	99 600	(1 025)	-1.0%	99 600
Vote 7 - Housing		60 442	66 272	38 888	2 640	31 654	38 888	(7 034)	-18.1%	38 888
Vote 8 - Health		-	-	-	-	-	-	-	-	-
Vote 9 - Planning and Development		45 088	51 948	43 981	10 187	41 540	43 981	(2 441)	-5.5%	43 981
Vote 10 - Road Transport		94 550	89 844	98 095	11 576	99 323	98 095	1 228	1.3%	98 095
Vote 11 - Environment Protection		25 264	27 693	27 083	1 930	25 562	27 083	(1 521)	-5.6%	27 083
Vote 12 - Energy Sources		154 214	164 112	168 415	12 963	135 956	168 415	(32 459)	-19.3%	168 415
Vote 13 - Other		3 015	6 515	6 685	1 620	5 788	6 685	(897)	-13.4%	6 685
Vote 14 - Waste Water Management		-	-	-	-	-	-	-	-	-
Vote 15 - Waste Management		163 528	174 365	179 630	15 687	179 902	179 630	(2 728)	-1.5%	179 630
<b>Total Expenditure by Vote</b>	<b>2</b>	<b>1 126 068</b>	<b>1 171 686</b>	<b>1 170 899</b>	<b>102 881</b>	<b>1 044 102</b>	<b>1 170 899</b>	<b>(126 696)</b>	<b>-10.8%</b>	<b>1 170 899</b>
<b>Surplus/(Deficit) for the year</b>	<b>?</b>	<b>122 812</b>	<b>637 182</b>	<b>662 117</b>	<b>(82 704)</b>	<b>156 624</b>	<b>662 117</b>	<b>(5 889)</b>	<b>-3.0%</b>	<b>662 117</b>

## 5.2 Grants

KZN216 Ray Nkonyeni - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M12 June										
Description R thousands	Ref	2021/22	Budget Year 2022/23							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>RECEIPTS:</b>	12									
<b>Operating Transfers and Grants</b>										
<b>National Government:</b>		15 608	8 026	8 026	-	8 026	8 026	0	0.0%	8 026
Expanded Public Works Programme Integrated Grant		5 558	6 076	6 076	-	6 076	6 076	0	0.0%	6 076
Municipal Disaster Relief Grant		8 100	-	-	-	-	-	-	-	-
Local Government Financial Management Grant		1 950	1 950	1 950	-	1 950	1 950	-	-	1 950
Municipal Infrastructure Grant		-	-	-	-	-	-	-	-	-
Neighbourhood Development Partnership Grant		-	-	-	-	-	-	-	-	-
<b>Provincial Government:</b>		22 251	15 430	15 557	-	15 096	15 557	(461)	-3.0%	15 557
Specify (Add grant description)		-	-	-	-	-	-	-	-	-
Specify (Add grant description)		-	-	-	-	-	-	-	-	-
<b>District Municipality:</b>		-	-	-	-	-	-	-	-	-
<b>Other grant providers:</b>		12 015	-	-	-	-	-	-	-	-
<b>Total Operating Transfers and Grants</b>	5	49 874	23 456	23 583	-	23 122	23 583	(461)	-2.0%	23 583

## Component B: Spending Against Capital Budget

### 5.3 Capital Expenditure

Capital Projects	
R' 000	
Details	2022-23
Original Budget	172,044
Adjustment Budget	225,684
Actual	212,244

### 5.4 Sources of Finance

<b>Financial Overview</b>			
<b>R' 000</b>			
<b>Name of Project</b>	<b>2022-2023</b>		
	<b>Original Budget</b>	<b>Adjustment Budget</b>	<b>Actual</b>
Income:			
Grants	417 462	478 820	477
Taxes, Levies & Tariffs	520 781	521 776	510 225
Other	368 745	332 673	295 293
Sub Total	1 306 988	1 333 269	805 995
Less: Expenditure	1 304 869	1 331 150	1 277 816
Net Total	2 119	2 119	(471 820)

## 5.5 Capital Spending on 5 Largest Projects



Capital Expenditure 2021-22: Roads & Stormwater Services					R' 000
Capital Projects	2021-22				Total Project Value
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	
Total All	268	208	200	-34%	
Upgrade of Vusushaba	1 539	2 282	2 282	33%	
Road Reseals	4 348	9 037	8 518	49%	
WARD 12 PEDESTRIAN	1 739	671	668	-160%	
LOUISIANA RING ROAD	6 522	16 994	16 993	62%	
REHAB OF COLLEGE	1 739	402	402	-333%	
Mazubane Pedestrian	435	84	84	-419%	
Mvuzane Road and	3 478	3 837	3 837	9%	
Smith Street Upgrade	–	342	342	100%	
Nositha main road	353	1 490	1 490	76%	
Tarring of Jesus Road	–	284	284	100%	
Road Rehabilitation Phase	2 609	50	50	-5089%	
Ntshomela Pedestrian	1 739	372	372	-368%	
Esidlidini Pedestrian Bridge	2 609	3 458	3 430	24%	
Maqobo Pedestrian Bridge	870	84	84	-934%	
Kwasithole Pedestrian	2 609	5 905	5 905	56%	
PEDESTRIAN BRIDGE	1 303	257	257	-407%	
BHAMBAYI CONCRETE	870	1 001	1 001	13%	
Nqwane Pedestrian Bridge	1 304	2 235	2 235	42%	
ROADS URBAN	3 043	3 041	3 041	0%	
KAWUSENI PEDESTRIAN	435	434	434	0%	
Rural Stormwater (IUDG)	1 739	1 428	1 428	-22%	
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i>					T 3.7.9

Capital Expenditure of 5 largest projects						R' 000
Name of Project	Current 2022-23			Variance 2022-23		
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Adjustment Budget	
UPGRADE OF MAIN HARDING ROAD	21,587	22,067	22,150	100%	0%	
Road Reseals	6,924	7,000	6,751	96%	-4%	
MADALA TO MDLUNGWANA VEHICULAR BRIDGE	4,481	5,481	5,398	98%	-2%	
Ngqumbela Road and Causeway Ward 7	5,240	4,478	4,478	100%	0%	
WARD 12 PEDESTRIAN BRIDGE (OVER SUGER MILL ROAD)	4,818	5,042	5,706	113%	12%	

## Component C: Cash Flow Management and Investments

### 5.6 Cash Flow

## KZN216 Ray Nkonyeni Municipality

Trading as Ray Nkonyeni Municipality  
Annual Financial Statements for the year ended 30 June 2023

### Cash Flow Statement

Figures in Rand	Note(s)	2023	2022 Restated*
<b>Cash flows from operating activities</b>			
<b>Receipts</b>			
Taxation		445 296 846	455 539 750
Sale of goods and services		226 966 530	268 142 891
Grants received		459 874 519	422 500 222
Interest income		45 267 396	36 337 309
Other cash item		3 673 041	1 066 978
		<b>1 181 078 332</b>	<b>1 183 587 150</b>
<b>Payments</b>			
Employee costs		(464 580 295)	(488 671 957)
Suppliers		(476 154 993)	(502 339 591)
Finance costs		(24 062 390)	(20 742 292)
Transfers and Subsidies		(14 464 530)	(11 905 658)
		<b>(979 262 208)</b>	<b>(1 023 659 498)</b>
<b>Net cash flows from operating activities</b>	<b>42</b>	<b>201 816 124</b>	<b>159 927 652</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment	4	(216 015 703)	(158 663 908)
Proceeds from sale of property, plant and equipment	4	1 136 149	917 747
Purchase of investment property	3	(1 129 236)	(2 999 792)
Purchase of heritage assets	6	-	(159 600)
Proceeds from sale of heritage assets	6	-	300
<b>Net cash flows from investing activities</b>		<b>(216 008 790)</b>	<b>(160 905 253)</b>
<b>Cash flows from financing activities</b>			
Movement of long-term loan		7 610 526	(354 905)
Finance lease payments		(10 353 688)	(10 367 649)
<b>Net cash flows from financing activities</b>		<b>(2 743 162)</b>	<b>(10 722 554)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>(16 935 828)</b>	<b>(11 700 155)</b>
Cash and cash equivalents at the beginning of the year		131 186 313	142 886 468
<b>Cash and cash equivalents at the end of the year</b>	<b>12</b>	<b>114 250 485</b>	<b>131 186 313</b>



AUDITOR-GENERAL  
SOUTH AFRICA

## Chapter 6 – Auditor General’s Audit Findings

Component A: Report of the auditor-general to the KwaZulu-Natal Provincial Legislature and the Council on Ray Nkonyeni Municipality 2023

16,203+ ▲  
7,410+ ▲  
4,991+ ▲  
2,007+ ▲

REPORT OF THE AUDITOR-GENERAL

Ray Nkonyeni Municipality

For the year ended 30 June 2023

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

## Report on the audit of the financial statements

### Opinion

1. I have audited the financial statements of the Ray Nkonyeni Municipality set out on pages xx to xx, which comprise the statement of financial position as at 30 June 2023, statement of financial performance, statement of changes in net assets, cash flow statement and statement of comparison of budget and actual amounts for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Ray Nkonyeni Municipality as at 30 June 2023 and its 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).

### Context for opinion

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

### Emphasis of matters

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

### Irregular expenditure

7. As disclosed in note 60 to the financial statements, irregular expenditure was incurred in the current year of R173,26 million and R214,03 million was incurred in the prior year, due to lack of adequate systems to allocate work to panel suppliers.

#### Material debt impairments

8. As disclosed in note 10 to the financial statements, the municipality recognised an allowance for impairment of R136,76 million (2021-22: R152,01 million) on consumer debtors as the recoverability of these amounts was doubtful.

#### Restatement of comparative figures

9. Restatement of corresponding figures as disclosed in note 56 to the financial statements, the corresponding figures for 30 June 2022 were restated as a result of errors in the financial statements of the entity at, and for the year ended, 30 June 2023.

#### Other matter

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

#### *Unaudited disclosure note*

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

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

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

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

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

## Report on the audit of the annual performance report

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

17. I selected the following development priority presented in the annual performance report for the year ended 30 June 2023 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
Service Delivery	XX	To provide basic services which includes electricity, refuse removal, roads maintenance and other community and related services

18. 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.

19. I performed procedures to test whether:

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

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

21. I did not identify any material findings on the reported performance information of service delivery.

Other matters

22. I draw attention to the matter below.

Achievement of planned targets

23. The municipality plays a key role in delivering services to South Africans. The annual performance report includes the following service delivery achievements against planned targets:

<i>Targets achieved: 80%</i> <i>Budget spent: 85%</i>		
<b>Key service delivery indicators not achieved</b>	<b>Planned target</b>	<b>Reported achievement</b>
No. of community facilities built	4	0
No. of houses built in the Rural Housing Programme	170	150

Report on compliance with legislation

24. 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 party responsible is responsible for the municipality's compliance with legislation.

25. 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.

26. 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.

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

## Procurement and contract management

28. Some of the contracts were awarded to providers whose tax matters had not been declared by the South African Revenue Service to be in order, in contravention of SCM Regulation 43.
29. The preference point system was not applied to some of the procurement of goods and services as required by section 2(1)(a) of the Preferential Procurement Policy Framework Act.

## Other information in the annual report

30. 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.
31. My opinion on the financial statements and findings on the reported performance information 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.
32. 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 priorities presented in the annual performance report or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
33. 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

34. 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.
35. The matters reported below are limited to the significant internal control deficiencies that resulted in the material findings on compliance with legislation included in this report.
36. Management did not have a formalised and documented system in place to fairly and transparently assign contracts to panel suppliers. Furthermore, procurement and contract management practices were not always effective in ensuring compliance with relevant laws and regulations.

Pietermaritzburg

16 February 2024



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

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## Annexure to the auditor's report

The annexure includes the following:

- The auditor-general's responsibility for the audit
- The selected legislative requirements for compliance testing

Auditor-general's responsibility for the audit

Professional judgement and professional scepticism

As part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional scepticism throughout my audit of the financial statements and the procedures performed on reported performance information for selected development priorities and on the municipality's compliance with selected requirements in key legislation.

Financial statements

In addition to my responsibility for the audit of the financial statements as described in this auditor's report, I also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the municipality's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made
- conclude on the appropriateness of the use of the going concern basis of accounting in the preparation of the financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists relating to events or conditions that may cast significant doubt on the ability of the municipality to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify my opinion on the financial statements. My conclusions are based on the information available to me at the date of this auditor's report. However, future events or conditions may cause a municipality to cease operating as a going concern
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

#### Communication with those charged with governance

I communicate with the accounting officer regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide the accounting officer with a statement that I have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on my independence and, where applicable, actions taken to eliminate threats or safeguards applied.

## Compliance with legislation – selected legislative requirements

The selected legislative requirements are as follows:

Legislation	Sections or regulations
Municipal Finance Management Act 56 of 2003	Section 1 - Paragraphs (a), (b) & (d) of the definition: irregular expenditure, Section 1 - Definition: service delivery and budget implementation plan, Sections 11(1), 13(2), 14(1), 14(2)(a) & (b), 15, 24(2)(c)(iv), 29(1), Sections 29(2)(b), 32(2), 32(2)(a), 32(2)(a)(i), 32(2)(a)(ii), 32(2)(b), Sections 32(6)(a), 32(7), 53(1)(c)(ii), 54(1)(c), 62(1)(d), 62(1)(f)(i), Sections 62(1)(f)(ii), 62(1)(f)(iii), 63(1)(a), 63(2)(a), 63(2)(c), 64(2)(b), Sections 64(2)(c), 64(2)(e), 64(2)(f), 64(2)(g), 65(2)(a), 65(2)(b), 65(2)(e), Sections 72(1)(a)(ii), 112(1)(j), 116(2)(b), 116(2)(c)(ii), 117, 122(1), Sections 122(2), 126(1)(a), 126(1)(b), 127(2), 127(5)(a)(i), 127(5)(a)(ii), Sections 129(1), 129(3), 133(1)(a), 133(1)(c)(i), 133(1)(c)(ii), 170, Sections 171(4)(a), 171(4)(b)
MFMA: Municipal Budget and Reporting Regulations, 2009	Regulations 71(1), 71(2), 72
MFMA: Municipal Investment Regulations, 2005	Regulations 3(1)(a), 3(3), 6, 7, 12(2), 12(3)
MFMA: Municipal Regulations on Financial Misconduct Procedures and Criminal Proceedings, 2014	Regulations 5(4), 6(8)(a), 6(8)(b), 10(1)
MFMA: Municipal Supply Chain Management Regulations, 2017	Regulations 5, 12(1)(c), 12(3), 13(b), 13(c), 13(c)(i), 16(a), 17(1)(a), Regulations 17(1)(b), 17(1)(c), 19(a), 21(b), 22(1)(b)(i), 22(2), 27(2)(a), Regulations 27(2)(e), 28(1)(a)(i), 28(1)(a)(ii), 29(1)(a), 29(1)(b), Regulations 29(5)(a)(ii), 29(5)(b)(ii), 32, 36(1), 36(1)(a), 38(1)(c), Regulations 38(1)(d)(ii), 38(1)(e), 38(1)(g)(i), 38(1)(g)(ii), 38(1)(g)(iii), 43, Regulations 44, 46(2)(e), 46(2)(f)
Municipal Systems Act 32 of 2000	Sections 25(1), 26(a), 26(c), 26(h), 26(i), 29(1)(b)(ii), 29(3)(b), 34(a), 34(b), Sections 38(a), 41(1)(a), 41(1)(b), 41(1)(c)(ii), 42, 43(2), 56(a), 57(2)(a), Sections 57(4B), 57(6)(a), 66(1)(a), 66(1)(b), 67(1)(d), 74(1), 93J(1), 96(b)
MSA: Municipal Planning and Performance Management Regulations, 2001	Regulations 2(1)(e), 2(3)(a), 3(3), 3(4)(b), 3(6)(a), 7(1), 8, 9(1)(a), 10(a), Regulations 12(1), 15(1)(a)(i), 15(1)(a)(ii)
MSA: Municipal Performance Regulations for Municipal Managers and Managers directly Accountable to Municipal Managers, 2006	Regulations 2(3)(a), 4(4)(b), 8(1), 8(2), 8(3)
MSA: Regulations on Appointment and Conditions of Employment of Senior Managers, 2014	Regulations 17(2), 36(1)(a)
MSA: Disciplinary Regulations for Senior Managers, 2011	Regulations 5(2), 5(3), 5(6), 8(4)

Legislation	Sections or regulations
Annual Division of Revenue Act	Section 11(6)(b), 12(5), 16(1); 16(3)
Construction Industry Development Board Act 38 of 2000	Section 18(1)
Construction Industry Development Board Regulations	Regulations 17, 25(7A)
Municipal Property Rates Act 6 of 2004	Section 3(1)
Preferential Procurement Policy Framework Act 5 of 2000	Sections 2(1)(a), 2(1)(f)
Preferential Procurement Regulations, 2017	Regulations 4(1), 4(2), 5(1), 5(3), 5(6), 5(7), 6(1), 6(2), 6(3), 6(6), 6(8), Regulations 7(1), 7(2), 7(3), 7(6), 7(8), 8(2), 8(5) 9(1), 10(1), 10(2), Regulations 11(1), 11(2)
Preferential Procurement Regulations, 2022	Regulations 4(1), 4(2), 4(3), 4(4), 5(1), 5(2), 5(3), 5(4)
Prevention and Combating of Corrupt Activities Act 12 of 2004	Section 34(1)

## Component B: Report of the auditor-general to the KwaZulu-Natal Provincial Legislature and the Council on Ray Nkonyeni Municipality June 2022

### Report on the audit of the financial statements

#### Opinion

I have audited the financial statements of the Ray Nkonyeni Municipality set out on pages XX to XX, which comprise the statement of financial position as at 30 June 2022, the statement of financial performance, statement of changes in net assets, cash flow statement and statement of comparison of budget and actual amounts for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Ray Nkonyeni Municipality as at 30 June 2022, and its financial performance and cash flows for the year then ended in accordance with South African Standards of Generally Recognised Accounting Practice (SA Standards of GRAP) and the requirements of the Municipal Finance Management Act of South Africa, 2003 (Act

No. 56 of 2003) (MFMA) and the Division of Revenue Act of South Africa, 2021 (Act No. 9 of 2021) (DoRA).

#### Basis for opinion

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

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 57 to the financial statements, the corresponding figures for 30 June 2022 were restated as a result of errors in the financial statements of the municipality, at and for the year ended 30 June 2022.

#### Material debt impairments

As disclosed in note 10 to the financial statements, the municipality recognised an allowance for impairment of R152,01 million (2022-23: R126,12 million) on consumer debtors as the recoverability of these amounts was doubtful.

#### Other matter

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

#### Unaudited disclosure note

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

## 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.

## Auditor-general's responsibilities 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

### Introduction and scope

In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I have a responsibility to report on the usefulness and reliability of the reported performance information against predetermined objectives for selected development priorities presented in the annual performance report. I performed procedures to identify material findings but not to gather evidence to express assurance.

My procedures address the usefulness and reliability of the reported performance information, which must be based on the municipality's approved performance planning documents. I have not evaluated the completeness and appropriateness of the performance indicators included in the

planning documents. My procedures do not examine whether the actions taken by the municipality enabled service delivery. My procedures do not extend to any disclosures or assertions relating to the extent of achievements in the current year or planned performance strategies and information in respect of future periods that may be included as part of the reported performance information. Accordingly, my findings do not extend to these matters.

I evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for the selected development priority, KPA 2 – Service Delivery, presented in the municipality’s annual performance report for the year ended 30 June 2022.

I performed procedures to determine whether the reported performance information was properly presented and whether performance was consistent with the approved performance planning documents. I performed further procedures to determine whether the indicators and related targets were measurable and relevant, and assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.

I did not identify any material findings on the usefulness and reliability of the reported performance information for the selected development priority.

#### Other matter

I draw attention to the matter below.

#### Achievement of planned targets

Refer to the annual performance report on pages xx to xx for information on the achievement of planned targets for the year.

#### Report on the audit of compliance with legislation

##### Introduction and scope

In accordance with the PAA and the general notice issued in terms thereof, I have a responsibility to report material findings on the municipality’s compliance with specific matters in key legislation. I performed procedures to identify findings but not to gather evidence to express assurance.

I did not identify any material findings on compliance with the specific matters in key legislation set out in the general notice issued in terms of the PAA.



#### Other information

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

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

In connection with my audit, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and the selected development priorities 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, reported performance information and compliance with applicable legislation; however, my objective was not to express any form of assurance on it. I did not identify any significant deficiencies in internal control.

#### Other reports

I draw attention to the following engagements conducted by various parties which had, or could have, an impact on the matters reported in the municipality's financial statements, reported performance information, compliance with applicable legislation and other related matters. These reports did not form part of my opinion on the financial statements or my findings on the reported performance information or compliance with legislation.

The fraud allegations that were suspected at the former Ezingoleni Municipality (which later merged with Hibiscus Coast Municipality to form Ray Nkonyeni Municipality) were investigated and certain aspects were concluded by the Directorate for Priority Crime Investigations (Hawks). The criminal case against the former Ezingoleni Municipal Manager has been set down for trial on 1 - 3 December 2022 at the Specialised Commercial Crimes Court in Durban. However, there were other outstanding matters and further investigations which was still in progress at the date of this report.

Pietermaritzburg

30 November 2022



AUDITOR - GENERAL  
SOUTH AFRICA

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## Appendices

### Appendix A: Ray Nkonyeni Municipality Councillors & Council Attendance

Council Member	Full Time/Part Time FT/PT	Committees Allocated	Ward and Party Represented	% attendance	% leave of absence	% absenteeism
BOSCH A	PT	DEVELOPMENT PLANNING	WARD 12-DA	93%	3.5%	3.5%
BRAUTESETH PA	PT	PUBLIC SAFETY	DA	76%	24%	0%
BREEDT SM	PT	MUNICIPAL PUBLIC ACCOUNTS COMMITTEE	WARD 1-DA	90%	7%	3%
CELE MI	PT	GOVERNANCE AND SPECIAL PROGRAMME	WARD 27-ANC	93%	3.5%	3.5%
CELE SP	PT	FINANCE	PR-EFF	75%	20%	5%
CILIZA BD	PT	DEVELOPMENT PLANNING	WARD 4-ANC	100%	0%	0%
DAMAS ATP	PT	FINANCE	PR- IFP	66%	34%	0%
DANCA NJ	PT	GOVERNANCE AND SPECIAL PROGRAMMES	PR-ANC	83%	14%	3%
DLAMINI CM	PT	CORPORATE SERVICES	PR -IFP	72%	14%	3%
GARBADE LA	FT	FINANCE EXCO	WARD 12- DA	83%	17%	0%
GASA XA	PT	MPAC	WARD 20-ANC	100%	0%	0%
GUMBI RP	FT	CHAIRPERSON-DEVELOPMENT PLANNING	WARD 05-ANC	90%	10%	0%
GUMEDE AP	PT	GOVERNANCE AND SPECIAL PROGRAMMES	PR-ANC	83%	10%	7%
HADEBE CN	PT	TECHNICAL SERVICES	PR-EFF	80%	10%	10%
HADEBE SS	PT	COMMUNITY SERVICES AND PUBLIC SAFETY	WARD 22-ANC	86%	4%	10%

Council Member	Full Time/Part Time FT/PT	Committees Allocated	Ward and Party Represented	% attendance	% leave of absence	% absenteeism
HENDERSON GD	PT	FINANCE	WARD 19-DA	97%	3%	0%
HLOPHE TT (Chief Whip)	FT	FINANCE	PR-ANC	93%	3.5%	3.5%
JULA MD	PT	MPAC	WARD 11-ANC	97%	0%	3%
KHANYASE EM	FT	CHAIRPERSON-CORPORATE SERVICES	PR-ANC	97%	3%	0%
KHAWULA SE	PT	GOVERNANCE AND SPECIAL PROGRAMMES	PR-IFP	90%	10%	0%
KOLI MP	PT	TECHNICAL SERVICES	21 ANC	83%	17%	0%
KRUGER TAP	PT	CORPORATE SERVICES	PR-DA	93%	7%	0%
LUBANYANA MT	FT	CHAIRPERSON-COMMUNITY SERVICES AND PUBLIC SAFETY	PR- ANC	86%	10%	4%
MADLALA AV	PT	COMMUNITY SERVICES AND PUBLIC SAFETY	PR-IFP	80%	10%	10%
MAJIYA ZP	PT	DEVELOPMENT PLANNING	WARD 35-ANC	86%	7%	7%
MALUNGA SD	PT	TECHNICAL SERVICES	WARD 14-ANC	80%	6%	14%
MAVUNDLA CC	PT	GOVERNANCE AND SPECIAL PROGRAMMES	PR-JEP	76%	21%	3%
MBATHA HP	PT	FINANCE	35 ANC	66%	21%	13%
MBOTHO DM	PT	DEVELOPMENT PLANNING	PR-EFF	69%	31%	0%
MBUYISA KL	PT	LLF-CHAIRPERSON-CORPORATE SERVICES	ANC	93%	0%	7%
MKHIZE LD	PT	CORPORATE SERVICES	PR-IFP	90%	7%	3%
MKHIZE MM	PT	MPAC	PR EFF	86%	14%	0%
MNGOMA NJ	PT	CORPORATE SERVICES	PR DA	83%	17%	0%
MNGOMEZULU GS	PT	TECHNICAL SERVICES	PR ANC	93%	3.5%	3.5%

Council Member	Full Time/Part Time FT/PT	Committees Allocated	Ward and Party Represented	% attendance	% leave of absence	% absenteeism
MNGQOSINI WZM *	PT	CORPORATE SERVICES	WARD 23-ANC	80%	8%	12%
MNGUNI N	PT	FINANCE	PR ATM	93%	3.5%	3.5%
MQADI CF	PT	DEVELOPMENT PLANNING	PR ACDP	85%	4%	11%
MQADI IS (Mayor)	FT	FINANCE	ANC	88%	12%	0%
MQADI NF	FT	EXCO- CORPORATE SERVICES	PR EFF	76%	21%	3%
MZINDLE PZ	FT	CHAIRPERSON- FINANCE	PR COUNCILLOR ANC	100%	0%	0%
MZOBE BC	PT	FINANCE	PR ANC	100%	0%	0%
NCAYIYANA LN	PT	COMMUNITY SERVICES AND PUBLIC SAFETY	PR DA	93%	7%	0%
NCUKANA S	PT	CORPORATE SERVICES AND PUBLIC SAFETY	PR AIC	86%	11%	3%
NDLELA NPS	PT	GOVERNANCE AND SPECIAL PROGRAMMES	WARD 24 ANC	100%	0%	0%
NDOVELA ND	PT	COMMUNITY SERVICES	PR EFF	66%	20%	14%
NDWALANE ZB	FT	EXCO	PR IFP	100%	0%	0%
NGCECE SA	PT	SOUND GOVERNANCE	30 ANC	87%	13%	0%
NGCOBO MI	PT	MPAC	26 ANC	96%	4%	0%
NGWANE J	PT	TECHNICAL SERVICES	WARD 15-IFP	76%	17%	7%
NKOKO PT	PT	GOVERNANCE AND SPECIAL PROGRAMMES	PR DA	79%	21%	0%
NQOKO AF	PT	FINANCE	PR ANC	0%	97%	3%
NQOKO SE	PT	GOVERNANCE AND SPECIAL PROGRAMMES	PR EFF	66%	24%	10%
NTANZA VL	FT	CHAIRPERSON – TECHNICAL SERVICERS	ANC	93%	7%	0%
NTULI SP	PT	FINANCE	PR ANC	93%	7%	0%

Council Member	Full Time/Part Time FT/PT	Committees Allocated	Ward and Party Represented	% attendance	% leave of absence	% absenteeism
NTUSI LB	PT	MPAC	PR IFP	76%	24%	0%
NYAWOSE BD	PT	TECHNICAL SERVICES	33 ANC	90%	3%	7%
NYAWOSE HS	PT	PUBLIC SAFETY	25 ANC	72%	14%	14%
NYULEKA N	PT	CORPORATE SERVICES	PR ANC	93%	7%	0%
NZAMA KM	PT	DEVELOPMENT PLANNING	WARD 34- ANC	100%	0%	0%
PERRYMAN T	PT	GOVERNANCE AND SPECIAL PROGRAMMES	WARD 13- DA	93%	7%	0%
PHEHLUKWANO NR	PT	COMMUNITY SERVICES AND PUBLIC SAFETY	WARD 8 - ANC	90%	0%	10%
RAJARAM A	PT	TECHNICAL SERVICES	WARD 17 DA	93%	0%	7%
RAWLINS D	FT	TECHNICAL SERVICES	WARD 18 DA	90%	10%	0%
ROBBETZE R	PT	PLANNING	PR VF	66%	34%	0%
SCHIMDT J	PT	MPAC	WARD 6- DA	90%	10%	0%
SHANGE GS (Deputy Mayor)	FT	CHAIRPERSON GOVERNANCE AND SPECIAL PROGRAMMES	WARD 36 - ANC	79%	14%	7%
SHANGE PC	FT	MPAC CHAIRPERSON	PR ANC	86%	14%	0%
SILANGWE M	PT	CORPORATE SERVICES	WARD 10- ANC	97%	3%	0%
SIMA ZC	PT	DEVELOPMENT PLANNING	WARD 29 - ANC	97%	3%	0%
TSAULWAYO MN	PT	COMMUNITY SERVICES AND PUBLIC SAFETY	WARD 31- ANC	100%	0%	0%
WILLIAMS JR	PT	DEVELOPMENT PLANNING	WARD 16 - DA	97%	0%	3%
ZULU VB	PT	MPAC	WARD 20 - ANC	93%	7%	0%

Legend:	
* Deceased	^^ Resigned

## Appendix B: Municipal Committees

<b>Committees (other than Mayoral / Executive Committee) and Purposes of Committees</b>	
<b>Municipal Committees</b>	<b>Purpose of Committee</b>
<b>Community Services Portfolio Committee</b>	<p>Assists the Executive Committee by advising the Executive Committee on legislation, prevention and enforcement mechanisms, which are within the financial and administrative capacity of the Municipality;</p> <p>Overseeing the enforcement of municipal bylaws and other applicable laws by municipal employees and functionaries in order to ensure that municipal employees and functionaries involved in law enforcement are accountable to a democratically elected body;</p> <p>Overseeing certain municipal services, including health, cultural, cleansing and maintenance services; and To pay attention to educational and welfare services in general as they apply to the entire municipality.</p>
<b>Corporate Services Portfolio Committee</b>	<p>The object of the Corporate Services Portfolio Committee is to assist the Executive Committee by advising the Executive Committee on: -</p> <p>The leasing, letting, hiring and alienation of the goods and intellectual property of the municipality in accordance with a system which is fair, equitable, transparent, competitive and cost-effective;</p> <p>Implementing and maintaining an effective and efficient information technology system, catering for all the needs of the municipality;</p> <p>Obtaining proper legal services for the municipality;</p>

<b>Committees (other than Mayoral / Executive Committee) and Purposes of Committees</b>	
<b>Municipal Committees</b>	<b>Purpose of Committee</b>
	<p>Providing adequate, effective and efficient secretarial, agenda and minuting services to the Municipal Council and its committees;</p> <p>Acquisition and provision of adequate municipal office and related accommodation;</p> <p>Implementation and maintenance of an approved records system;</p> <p>Carrying out of certain ancillary functions;</p> <p>To provide acceptable Environmental Assistance Programmes, Wellness and Occupational Health and Safety initiatives</p> <p>To promote and uphold principles of Good Governance, Legal compliance and to provide effective legal administrative support</p> <p>To manage and monitor expenditure of fuel and repairs/maintenance on municipal fleet; and</p> <p>Ensuring that the values and principles set out in Section 195 of the Constitution are promoted throughout the municipal administration</p>
<b>Development Planning Services Portfolio Committee</b>	<p>The object of the Development Planning and Portfolio Committee is to assist the Executive Committee to:-</p> <p>Promote social and economic development;</p> <p>Encourage the involvement of the community of the entire municipality and its community organisations, bodies and institutions in the matters of local government;</p>



<b>Committees (other than Mayoral / Executive Committee) and Purposes of Committees</b>	
<b>Municipal Committees</b>	<b>Purpose of Committee</b>
	<p>Participate in National Development Programmes and Provincial Development Programmes;</p> <p>Promote tourism development;</p> <p>To promote local economy through technology innovation;</p> <p>To ensure that the rural areas, having suffered a historical backlog in service provision, are adequately catered for in the municipal governance and administration of the municipality.</p> <p>To promote job creation through infrastructure development, tourism development and the expanded public works programme;</p> <p>Encourage the involvement of the community of the entire municipality and its community organisations, bodies and institutions in the matters of local government;</p> <p>Promote the implementation of the Integrated Development Plan (IDP).</p> <p>Administering the development planning of the area of jurisdiction of the municipality in such a way that it: -</p> <p>Ensures the provision of services to communities in a sustainable manner;</p> <p>Promotes social and economic development; and</p> <p>Promotes a safe and healthy environment in a manner consistent with the Integrated Development Plan.</p> <p>Administering the compilation and approval of the Integrated Development Plan and strategic planning exercises.</p>

<b>Committees (other than Mayoral / Executive Committee) and Purposes of Committees</b>	
<b>Municipal Committees</b>	<b>Purpose of Committee</b>
	<p>Administering the compilation and approval of the Integrated Development Plan and strategic planning exercises.</p> <p>Administering building control within the municipal area.</p> <p>Ensuring that governmental discretions exercised by the municipality:</p> <p>are democratic, consistent and accountable; and</p> <p>encourage the involvement of the community of the municipality and its community organisations in the matters of the municipality.</p>
<b>Events Co-ordinating Committee</b>	<p>The objectives of the Events Coordinating Committee are, but not limited to, assist the Council on the following:</p> <p>Receiving and processing applications for events in all Council's properties;</p> <p>Approving or disapproving the aforementioned applications in accordance with a system which is fair, equitable and transparent and generally promotes local economic development and tourism in the area of jurisdiction of the Ray Nkonyeni Municipality;</p> <p>Determining the conditions to which such approvals or disapprovals are made.</p>
<b>Environmental Sub - Committee</b>	<p>The sub-committee was called into existence to create a forum where the formal sector (Ray Nkonyeni Municipality) representative could meet and discuss with private sector, non-governmental organizations, community-based organizations and other stakeholders, matters that pertain to wildlife and environmental matters. The sub-committee will endeavour to strike a balance between development and</p>

<b>Committees (other than Mayoral / Executive Committee) and Purposes of Committees</b>	
<b>Municipal Committees</b>	<b>Purpose of Committee</b>
	conservation and to ensure that the environment is maintained as far as possible and that development objectives are achieved within accepted environmental practices.
<b>Ethics Committee</b>	<p>The Ethics Committee (“Committee”) has been established by Council to ensure compliance with the Code of Conduct (“Code”), set out in Schedule 1 of the Local Government: Municipal Systems Act 32 of 2000 (“Systems Act”), in the Municipal Council and Council Committees.</p> <p>Item 14(1)(b) of the Code provides that a Municipal Council may establish a special committee to investigate and make a finding on any alleged breach of the Code and make appropriate recommendations to the Municipal Council.</p> <p>Item 14(7) of the Code provides that any investigation in terms of Item 14 must be in accordance with the rules of natural justice.</p> <p>Section 79(1) of the Local Government: Municipal Structures Act 117 of 1998 (“Structures Act”) provides that a Municipal Council may establish committees necessary for the effective and efficient performance of any of its functions or the exercise of any of its powers and appoint members of such a committee from among its members.</p>
<b>Finance &amp; Budget Portfolio Committee</b>	<p>The object of the Finance and Budget Portfolio Committee is to assist the Executive Committee in maintaining sound, viable and generally accepted financial systems by:</p> <p>Administering the capital and operational budgets of the Municipal Council;</p> <p>Encouraging the involvement of the community of the municipality and its community organisations and institutions in the matters of the municipality;</p>

<b>Committees (other than Mayoral / Executive Committee) and Purposes of Committees</b>	
<b>Municipal Committees</b>	<b>Purpose of Committee</b>
	<p>Ensuring that the governmental discretions exercised by the municipality are democratic, consistent and accountable; and</p> <p>Administering Council's assets</p>
<b>Governance Portfolio Committee</b>	<p>The object of the Governance and Special Programmes Portfolio Committee is to assist the Executive Committee by advising the Executive Committee on: -</p> <p>To ensure that adequate, effective and efficient Mayoral and Executive support and communication service;</p> <p>To ensure that the IDP is developed within statutory provisions;</p> <p>To ensure implementation of an effective OPMS;</p> <p>To ensure a credible Annual Report for every financial year is compiled;</p> <p>To ensure visible participation and alignment to district vision and goals;</p> <p>To ensure the promotion of a culture of participatory democracy and social cohesion;</p> <p>To ensure Municipal Transformation and Organisational Development;</p> <p>To ensure a fraud and corruption free organisation is built;</p> <p>To ensure a conducive work environment to enable increased staff productivity;</p> <p>To ensure improved accountability and clean administration;</p>



<b>Committees (other than Mayoral / Executive Committee) and Purposes of Committees</b>	
<b>Municipal Committees</b>	<b>Purpose of Committee</b>
	and is entitled to participate in joint decision-making about the matters referred to in section 86.
<b>MPAC (SCOPA)</b>	<p>The MPAC will assist council to hold the executive and municipal entities to account, and to ensure the efficient and effective use of municipal resources. By so doing, the MPAC would help to increase council and public awareness of the financial and performance issues of the municipality and its entities.</p> <p>Will provide a report on the performance regarding the Service Delivery and Budget Implementation Plan (SDBIP) to Council, and will also promote accountability to the local community; and</p> <p>The annual report shall be submitted to Council by 31 January annually thereafter Council shall consider and adopt the annual report within two months of it being submitted and discussed.</p>
<b>Public Safety Portfolio</b>	<p>The objective of the Safety and Security Portfolio Committee is to assist the Executive Committee to promote a safe environment by:</p> <ul style="list-style-type: none"> <li>- Advising on legislation, prevention and enforcement mechanisms which are within the financial and administrative capacity of the municipality;</li> <li>Overseeing the enforcement of municipal law by municipal functionaries and municipal employees in order to ensure that municipal functionaries and municipal employees involved in</li> </ul>

<b>Committees (other than Mayoral / Executive Committee) and Purposes of Committees</b>	
<b>Municipal Committees</b>	<b>Purpose of Committee</b>
	law enforcement are accountable to a democratically elected body and Overseeing certain municipal services.
<b>Technical Services Portfolio</b>	<p>The object of the Technical Services Portfolio Committee is to assist the Executive Committee to ensure the provision of Human Settlements and Infrastructural services to the communities of the municipality in a sustainable manner by:</p> <p>Advising on legislation and service delivery mechanisms, which are within the financial and administrative capacity of the municipality;</p> <p>Overseeing the delivery of certain municipal services and facilities; and</p> <p>Ensuring, subject to any policy that the Municipal Council may determine in terms of any National and Provincial Legislation made in terms of Section 217 (3) of the Constitution prior to the date referred to in Item 21 (4) of Schedule 6 to the Constitution, that when the municipality contracts for goods and services, it does so in accordance with a system which is fair, equitable, transparent, competitive and cost-effective.</p> <p>The provision of Technical Services to the community of the municipality in a sustainable manner by overseeing Technical, human and settlements and infrastructure development and administration.</p>
<b>Youth</b>	<p>To assist Council to formulate a Youth Policy for the Ray Nkonyeni Municipality;</p> <p>To provide a forum for the coordination of all youth related activities within the RNM area;</p> <p>To develop an appropriate strategy that will enable the</p>

<b>Committees (other than Mayoral / Executive Committee) and Purposes of Committees</b>	
<b>Municipal Committees</b>	<b>Purpose of Committee</b>
	municipality to meet its policy commitments and legal obligations to the youth
<b>Budget Steering Committee</b>	The responsibilities of the Budget Steering Committee can be defined as compliance with legal provisions of MFMA, the Municipal Budget and Reporting Regulations as well as National Treasury circulars issued from time to time dealing with budgetary matters.
<b>Council</b>	<p>Section 4 of the Municipal Systems Act 2000 (Act no. 32 of 2000) provides that the municipal council must govern on its own initiative the local community affairs of the local community. In doing so it must, within the municipality's financial and administrative capacity and having regard for practical considerations:-</p> <ul style="list-style-type: none"> <li>a) exercise the municipality's executive and legislative authority and use the resources of the municipality in the best interests of the community;</li> <li>b) provide, without favour or prejudice, democratic and accountable government;</li> <li>c) encourage the involvement of the community;</li> <li>d) strive to ensure that municipal services are provided to the community in a financially and environmentally sustainable manner;</li> <li>e) consult the community about the level, quality, range and impact of municipal services and the available options for service delivery;</li> </ul>



<b>Committees (other than Mayoral / Executive Committee) and Purposes of Committees</b>	
<b>Municipal Committees</b>	<b>Purpose of Committee</b>
	<p>f) give members of the community equitable access to the municipal services to which they are entitled;</p> <p>g) promote and undertake development in the municipality;</p> <p>h) promote gender equity in the exercise of the municipality's executive and legislative authority;</p> <p>i) promote a safe and healthy environment in the municipality; and</p> <p>j) contribute, together with other organs of state, to the progressive realisation of the fundamental rights contained in sections 24, 25, 26, 27 and 29 of the Constitution.</p> <p>The Municipal Systems Act 2000 (Act no. 32 of 2000) assigns more functions to the municipal council. The executive and legislative authority of the municipality is exercised by the municipal council and the council takes all decisions of the municipality, except where the council has delegated the decision making to another structure. The Act prevents the municipal council from delegating the following functions:</p> <ul style="list-style-type: none"> <li>• Approval of the Integrated Development Plan;</li> <li>• Approval of the Performance Management System;</li> <li>• Approval of the staff establishment (organogram). Appointment of the Municipal Manager and Managers directly accountable to the Municipal Manager; and</li> </ul>

<b>Committees (other than Mayoral / Executive Committee) and Purposes of Committees</b>	
<b>Municipal Committees</b>	<b>Purpose of Committee</b>
	<ul style="list-style-type: none"> <li>• The Regulations on the appointment and conditions of employment for Senior Managers of 2014 assign the following responsibilities to municipal councils:-</li> <li>• Approval of the staff establishment which must be submitted by the Municipal Manager; and</li> <li>• Submission of a written report to the MEC for local government regarding the appointment process and outcome in the employment of Municipal Managers and managers directly accountable to the Municipal Managers.</li> </ul> <p>The Municipal Finance Management Act 2003 (Act No. 53 of 2003) imposes the following financial obligations on every municipal council:-</p> <ul style="list-style-type: none"> <li>• Approval of the budget of the municipality;</li> <li>• Oversight over tabling of annual budget;</li> <li>• Oversight on approval of service delivery and budget implementation plans;</li> <li>• Oversight on the signing of annual performance agreements; and</li> <li>• Adopt and annually review Supply Chain Management Policy</li> </ul>
<b>EXCO</b>	The Executive Committee is the principal committee of the council of the municipality and as such receives reports from the other committees of the council which are established in terms of Section 80 of the Municipal Structures Act to support the Executive Committee. The Executive Committee considers

<b>Committees (other than Mayoral / Executive Committee) and Purposes of Committees</b>	
<b>Municipal Committees</b>	<b>Purpose of Committee</b>
	<p>these reports and disposes of those which the committee is authorised to decide on in terms of its delegated powers and forward reports on any non-delegated functions, together with its recommendations to the municipal council for decision.</p>
<b>TROIKA</b>	<p>The TROIKA is a meeting whose purpose is to ensure effective political management of the institution.</p> <p>TROIKA has to convene frequently in order to discuss governance issues within the institution and ensure smooth running of operations. Amongst its duties, it is responsible for:</p> <ol style="list-style-type: none"> <li>i. Consideration of Council agenda;</li> <li>ii. Ensuring that items brought to Council are competent;</li> <li>iii. Facilitation of the political management of the Council meeting;</li> <li>iv. Ensuring smooth running of the Council;</li> <li>v. Facilitation of a common understanding amongst the political offices on items before Council;</li> <li>vi. Consideration of any other issues relating to the functionality of the Municipality; and</li> <li>vii. Take such action as may be necessary to ensure compliance by the Council with all legislation related to or affecting Local Government, including, but not limited to:- <ul style="list-style-type: none"> <li>- The Constitution of the Republic of South Africa (1996)</li> </ul> </li> </ol>

<b>Committees (other than Mayoral / Executive Committee) and Purposes of Committees</b>	
<b>Municipal Committees</b>	<b>Purpose of Committee</b>
	<ul style="list-style-type: none"> <li>- The Local Government: Municipal Demarcation Act (1998)</li> <li>- The Local Government: Municipal Systems Act (2000)</li> <li>- The Promotion of Access to Information Act (2000)</li> <li>- The Municipal Finance Management Act (2003)</li> <li>- Intergovernmental Relations Framework Act (2005).</li> </ul>
<b>Women's Caucus</b>	<p>Lobby the municipality to develop, promote and implement gender policies and thereafter monitor and evaluate the impact of these policies;</p> <p>Oversee that there are optimal women participation on the IDP and budget processes since they are gender sensitive;</p> <p>Advise and lobby for municipal interventions to enhance economic growth of women;</p> <p>Monitor that the municipality reaches its employment equity targets at all levels of decision making;</p> <p>Create public awareness about government policies and programmes aimed at the advancement of women and children's rights and the rights of the aged;</p> <p>Advocate and commission research on the impact of gender policies on women and children (girl) at the community level</p>

## Appendix C: Third Tier Management Structure

Third Tier Structure		
Department	Title	Details
Office of the Municipal Manager	Manager: Internal Audit & Risk Management	Ms S Gambushe
	Manager: MM's Office	Ms Y Mhlamvu
Corporate Services	Manager: Human Resources	Mr R Lubanyana
	Manager: Labour Relations & Wellness	Mr A Mdleleni
	Manager: Estates Administration	Ms P Tom
	Manager: Information Technology	Ms S Qwabe
	Manager: Fleet Administration	Mr S Mthembu
	Manager: Legal Services	Ms R Davenarain
	Manager: Meetings Administration	Ms G Naicker
Technical Services	Manager: Human Settlements	Vuyokazi Khawula
	Manager: Project Management Unit	Mr KB Msomi
	Manager: Roads & Stormwater	Mr B Mnguni
	Manager: Electrical Engineering	Ms CN Sihlali
	Manager: Projects Finance	Mr J Brajlal
	Manager Mechanical Engineering	Vacant
	Manager: Facilities Management	Mr KI Mchunu
Community Services	Manager: Arts & Culture	Ms TR Khawula
	Manager: Education and Waste Minimisation	Ms Z Mzimela
	Manager Waste Management	Mr P Sithole (North)
		Mr AS Davis (South)

	Manager: Aquatic Safety	Mr SN Langeni
<b>Public Safety</b>	Manager: Motor Licensing Bureau	Mr SV Goldsmith
	Superintendent: Operations	Mr S Ngcaku
	Superintendent: Public Transport & Administration	Mr R Robbinson
	Manager: Fire & Disaster Management	Mr S Naidoo
<b>Development Planning Services</b>	Senior Manager: Building Control	Mr N Naidoo
	Manager: Town Planning	Ms NP Sithole
	Manager: Environmental Management & Signage Control	Ms FP Mhlongo
	Manager: Local Economic Development	Mr PC Khambule
	Manager: Aviation services	Ms Y Van Rensburg
	Manager Techno Hub	Mr SSV Nikelo
<b>Strategic Planning &amp; Governance</b>	Manager: Mayoralty and Communications	Mr SM April
	Manager: Stakeholder Relations & Customer Care	Mr XP Dlangalala
	Senior Manager: Strategic Planning	Ms Z Ndabezitha
	Manager: Youth Development	Ms S Ngwabe
	Manager: Speaker's Office	Ms TTW Mbili
	Manager: Special Programmes	Ms TZ Khumalo
	Manager: Performance Monitoring & Evaluation	Mr N Bhengu
<b>Treasury</b>	Manager: Budget & Reporting	MS SE Qwabe
	Manager: Revenue	Mr RS Dlamini
	Manager: Expenditure	Mr NP Nondlekazi
	Manager: Supply Chain Management	Mr N Mavundla
	Manager: Assets Management	Mr V Gqoboka

## Appendix D: Municipal Functions

<b>Powers &amp; Functions (List)</b>	<b>Status in performing the power and function)</b>	<b>Service Provider /municipality performing these Powers and Functions</b>
Air pollution	S	Ugu District Municipality
Building Regulations	Y	RNM
Child Care facilities	S	Ugu District Municipality
Electricity Reticulation	S	Eskom
Fire prevention and control	Y	RNM
Local Tourism	S	Ugu & Tourism Assoc
Municipal Airports	S	HCM & service Provider
Municipal Planning	Y	RNM
Municipal Health Services	X	Ugu District Municipality
Municipal Public Transport	X	Ugu District Municipality
Harbors and Ferries	Y	RNM
Storm Water Management	S	Ugu District Municipality
Trading Regulations	S	Ugu District Municipality
Water and Sanitation	X	Ugu District Municipality
Beaches and amusement parks	Y	RNM
Billboards, Public Advertising	Y	RNM
Traffic and Parking	Y	RNM
Street trading	Y	RNM
Cemeteries and crematoria	Y	RNM
Cleansing and Maintenance	Y	RNM
Control of Public Nuisances	Y	RNM
Control of Liquor Licenses	X	Liquor Board & SAPS
Animal care, burial and pounds	S	SPCA
Fences and Fencing	Y	RNM
Licensing of dogs	Y	RNM
Food licenses	X	Ugu District Municipality
Local amenities	Y	RNM

<b>Powers &amp; Functions (List)</b>	<b>Status in performing the power and function)</b>	<b>Service Provider /municipality performing these Powers and Functions</b>
<b>Local sport</b>	Y	RNM
<b>Street lighting</b>	X	Eskom
<b>Markets</b>	X	Ugu District Municipality
<b>Municipal Abattoirs</b>	X	Ugu District Municipality
<b>Municipal Parks and Recreation</b>	Y	RNM
<b>Municipal Roads</b>	Y	RNM
<b>Noise pollution</b>	Y	RNM
<b>Public places</b>	Y	RNM
<b>Refuse removal and solid waste</b>	Y	RNM
<b>Waste water treatment plant</b>	X	Ugu District Municipality

*Notes*

X = not RNM function

Y = RNM function

S = shared with other service providers / institutions



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Appendix E: Ward Reporting

Functionality of Ward Committees					
Ward Number	Name of Ward Cllr & Elected ward committee members	Committee established (Yes/No)	Number of quarterly committee meetings held during the year	Number of quarterly reports submitted to speakers' office on time	Number of quarterly public meetings held during the year (1 per quarter)
Ward 01	Cllr Stephanie Breedt Simphiwe Hlophe Simphiwe Cele Thabane Mbewane Jascque De La Harpe Esme Britz Ntsindiso Mkuzo Superman Vusi Ngeleka Nhlanhla Mthuli	YES	11	04	11
Ward 02	Cllr Alan Bosch Herman Franker Zamathabe Gxumisa Andiswa Happiness Zoko Lwazi Kohli Mnikelo Gqoboka Stephan Herbst Mvumikazi Tsewu	YES	12	04	12
Ward 03	Cllr Paul Edward Brauteseth Hanli Konig Luleka Magigaba Sheila Smith Mark Johns Sithembiso Msele Louis Boshoff Scott Kvalsvig	YES	12	04	12

Functionality of Ward Committees					
Ward Number	Name of Ward Cllr & Elected ward committee members	Committee established (Yes/No)	Number of quarterly committee meetings held during the year	Number of quarterly reports submitted to speakers' office on time	Number of quarterly public meetings held during the year (1 per quarter)
Ward 04	Cllr Bhekani David Chiliza Gloria Zonke Ngwane Agnes Tholakele Dlezi Simangele Lushaba Essa Xolo Njabulo Ngwabe Nozipho Lubanyana Defries Lushaba	YES	12	04	12
Ward 05	Cllr Rodney Phumlani Gumbi Lindokuhle Nzama Nonhlanhla Mbhele Ntombizandile Zoko Alwande Mbatha Phillip Gamede Zintle Talatala Makhosazane Langeni Hloniphile Ndlovu	YES	12	04	12

Functionality of Ward Committees					
Ward Number	Name of Ward Cllr & Elected ward committee members	Committee established (Yes/No)	Number of quarterly committee meetings held during the year	Number of quarterly reports submitted to speakers' office on time	Number of quarterly public meetings held during the year (1 per quarter)
Ward 06	Cllr Jean Schimdt Joan Robins Kayakazi Nsisane Thobeka Mkize Mduduzi Thabo Mbanjwa Elzette Didloff	YES	12	04	12
Ward 07	Cllr Nkululeko Lovelace Mbuyisa Phumlile Ncane Msondezwa Robson Ngcungama Nokulunga Ngilande Zaba Shusha Robert Mangena Ndovela Nompumelelo Ntuli Mandla Nxumalo	YES	12	04	12
Ward 8	Cllr Njabulo Phehlukwayo Thandeka Mlambo Bongeka Ndovela Sphumelele Khowa Sibusiso Yalo Senzo Xolo Vivian Xolo Thuthukani Ncane Phumlile Yalo Gugu cwera Zwelonke Andries Jama	YES	12	04	10

Functionality of Ward Committees					
Ward Number	Name of Ward Cllr & Elected ward committee members	Committee established (Yes/No)	Number of quarterly committee meetings held during the year	Number of quarterly reports submitted to speakers' office on time	Number of quarterly public meetings held during the year (1 per quarter)
Ward 9	Cllr Sinqobile Mngomezulu Hlengiwe Dlezi Dumisani Ngcungama Joyce Mlambo Bhekani Ncane Leon de Janer Sondliwa Alfred Bixi	YES	12	04	12
Ward 10	Cllr Mduduzi Silangwe Ntozakhe Balekwa Mthokozisi Dlamini Zwelisha Mjoja Tholakele Ignatia Ncane Sbonelo L. Mbokazi Judy Happiness Mpisane Sporo Ngeleka Nkosinathi Mzindle	YES	12	04	12
Ward 11	Cllr Mxolisi Derrick Jula Nelisiwe Ndovela Thabisile Ruth Kubheka Jeffrey Sibonelo Shusha Pinky Princess Nyawose Nokuzola Luthuli Khanyisile Nzimakwe Robert Gumede Leon Kotze Kim Donaldson Nozipho Ngeleka	YES	12	04	12

Functionality of Ward Committees					
Ward Number	Name of Ward Cllr & Elected ward committee members	Committee established (Yes/No)	Number of quarterly committee meetings held during the year	Number of quarterly reports submitted to speakers' office on time	Number of quarterly public meetings held during the year (1 per quarter)
Ward 12	Cllr Leon Armin Garbade Vijanthie Machnarajan Simphiwe Ngule Razia Mabrouk Petra Rickson Rajastree Harripersad Rowena Narainsamy	YES	12	04	11
Ward 13	Cllr Tessa Perryman Pierre Joubert Bernice Dannhauser Sthembiso Cele Ibrahim Shaik Lindani Duma Nokuzola Nonzanga Musa Majola Glenda Snyman Elliot Mkhandi	YES	10	04	10
Ward 14	Cllr Malunga D. Sabelo Madlala Mxolisi Mkhize Ntombikhona Gugu Madlala Thabo Sishi Ngcobo Nomusa Russel Madlala Doctor Malunga Shinga M. Bathandwa Alexander Mchunu	YES	12	04	12

Functionality of Ward Committees					
Ward Number	Name of Ward Cllr & Elected ward committee members	Committee established (Yes/No)	Number of quarterly committee meetings held during the year	Number of quarterly reports submitted to speakers' office on time	Number of quarterly public meetings held during the year (1 per quarter)
Ward 15	Cllr Ngwane J Sifundo Zandile Mvuna Nelisiwe Mkhize Zinhle Qwabe Slindile Promise Hlengwa Nhlanhla Mzobe Sihle Gumede Thabani Delwa Sbongile H Makhanya Victor Delisizazi Hlophe	YES	12	04	12
Ward 16	Cllr John Williams Bonga Armstrong Sikrweqe Vivani Zuma Davina Jane Campbell Christiaan Viljoen Mdu Michael Cele Zandile Mani	YES	07	04	02
Ward 17	Cllr Ajith Rajaram Dineshvarin Pillay Sunil Singh Jessie Naidoo Nellie Ngubane Dumisani Madlala Joshua Ko Bhengu Tozi Cythia Gwala	YES	12	04	12
Ward 18	Cllr Douglas Rawlins Yolisa Malimba Nonceba P. Gigaba	YES	11	04	1

Functionality of Ward Committees					
Ward Number	Name of Ward Cllr & Elected ward committee members	Committee established (Yes/No)	Number of quarterly committee meetings held during the year	Number of quarterly reports submitted to speakers' office on time	Number of quarterly public meetings held during the year (1 per quarter)
	Evening Mkhize Ayanda Ngcobo Lazola Mpongoma Priyen Chetty				
Ward 19	Cllr George Henderson John Henry Helmand Victoria Botha Barry/Barend Smit Michelle Mole Herbst Carina Erick Labuschage Coetzee Gehards	YES	12	04	12
Ward 20	Cllr Xolani Gasa Goodone Vusi Shibe Simphiwe Sima Jeffrey Gumede Buzile Ngoyo Steven Sentsburg Bigshot Jerome Mthwane Kareem Coetze Obed Vusumuzi Mlambo	YES	12	04	12
Ward 21	Cllr Koli Musawenkosi Pius Nkabane Sibusiso Cwele Thandi Luthuli Nhlanhla Nyawuza Zanele Ndimeni Zinhle Nolwandle Khawula Handsome Nkosinathi	YES	12	04	12
Ward 22	Cllr Hadebe Samuel Sibonele	YES	12	04	8



Functionality of Ward Committees					
Ward Number	Name of Ward Cllr & Elected ward committee members	Committee established (Yes/No)	Number of quarterly committee meetings held during the year	Number of quarterly reports submitted to speakers' office on time	Number of quarterly public meetings held during the year (1 per quarter)
	Ndumiso Inooent Hadebe Chiliza Thobani Mabaso Ntombi Mbuto Nosipho Cheroi Shezi Ndabo Shange Zama-June Rose Ntobela Babhekile Lucia Dlamini Ayanda				
Ward 23	Cllr Welcome Zanenhlanhla Mngqosini Princess Mbili Blondy Ntuili Nkosinathi Bhengu Xolani Mthembu Bhekani Nicholas Sincadu Nonhlanhla Zondi Bhekizwe Diya	YES	12	04	12
Ward 24	Cllr Nkosinamandla Sihle Ndlela Phumlani Ndwalane Lindi Khwela Xolani Ndovela Bhekisisa Lubanyane Thulani Nzimade Qaphela Mvundla Mduduzi Ngubelanga Nkosinathi Mzindle Lindiwe Mbili	YES	12	04	5

Functionality of Ward Committees					
Ward Number	Name of Ward Cllr & Elected ward committee members	Committee established (Yes/No)	Number of quarterly committee meetings held during the year	Number of quarterly reports submitted to speakers' office on time	Number of quarterly public meetings held during the year (1 per quarter)
Ward 25	Cllr Hoffrey Simosakhe Nyawose Mthokozisi Lekhona Mhlakwana Buyisile Msomi Nozipho Linda Thobekile Khawula Thandokuhle Majola Sihle Mzindle Sakhile Khuzwayo Mlungiselwa Shazi Sfiso M. Mavundla	YES	12	04	12
Ward 26	Cllr Musawenkosi Israel Ngcobo Khanyile Sinenhlanhla Francis N. Mbhele Ntokozo Nzimande Thandazile Nkomo Thabile Kawula Sithule Nyawo Nonsikelelo Sincadu Raymond G. Cele	YES	12	04	12
Ward 27	Cllr Mdumiseni Innocent Cele Sizwe Mavundla Bongani Dindikazi Thembi Prudence Nyawose Sanele Phehlukwayo Nosipho Nikhwe Zitholele Blose Thokozani D. Mendu Nokubonga Shezi	YES	12	04	10

Functionality of Ward Committees					
Ward Number	Name of Ward Cllr & Elected ward committee members	Committee established (Yes/No)	Number of quarterly committee meetings held during the year	Number of quarterly reports submitted to speakers' office on time	Number of quarterly public meetings held during the year (1 per quarter)
Ward 28	Cllr Bhekithemba Victor Zulu Zakhele Mkhungo Bheki Danca Collin Ndovela Mdingi Elias Ntokozo Sondzaba Solomzi Andile Mseleku Makhosazana Ntaka Edmund Gumbi	YES	12	04	12
Ward 29	Cllr Steven Sima Fundile Jula Fredrick Nqoko Lucky Nhlanhla Ndovela Thembinkosi Victor Mpangele Phumlani Thutshini Zoleka Ngcongco Sonwabile Phehlukwayo	YES	11	04	5
Ward 30	Cllr Sifiso Advocate Ngcece Lungi Masoka Philani Perfect Danca Lwazi Andries Nqakazi Makabongwe Nyawose Clementia Jabulile Cele Nontuthuzelo Cele Ntombifuthi Zulu Thembokwakhe Cele Wakhowakhe Mfeka	YES	12	04	12

Functionality of Ward Committees					
Ward Number	Name of Ward Cllr & Elected ward committee members	Committee established (Yes/No)	Number of quarterly committee meetings held during the year	Number of quarterly reports submitted to speakers' office on time	Number of quarterly public meetings held during the year (1 per quarter)
	Lindiwe Gambushe				
Ward 31	Cllr Malusi Nhlakanipho Tsaulwayo Ntombizethi Penelope Cele Sibongile Patience Mqadi Bonginkosi Mvuna Bongumusa Cele Simangele Fairgirl Nyawose Sibusiso Steven Gansa Sthabile Mvuna Khumbulani Cyprian Nzama Sihle Howard Nzimande Hlezi Silindile Ntozakhe	YES	12	04	12
Ward 32	Cllr Ntombifuthi Joyce Danca Sindisiwe C.Jalubane Linda Mjweni Joel Mpofana Sibongiseni Shude Siza Zwakele Dindi Sibongiseni Xolo Bongani Ntaka Zandile Ndovela Mjabulelwa Milton Malishe	YES	12	04	12

Functionality of Ward Committees					
Ward Number	Name of Ward Cllr & Elected ward committee members	Committee established (Yes/No)	Number of quarterly committee meetings held during the year	Number of quarterly reports submitted to speakers' office on time	Number of quarterly public meetings held during the year (1 per quarter)
Ward 33	Cllr Bonginkosi Dennis Nyawose Thulani Cele Thandeka Nyawose Nompilo Hlongwa Khjanyisile Mavundla Mxolisi Ngwazi Bongani Ngwazi Jeyi Zakhele Gambushe Ncamisile Mqadi	YES	12	04	12
Ward 34	Cllr Khulekani Maxwell Nzama Scelo Innocent Ngcobo Cosmos Khawula Philani Mbanjwa Msawakhe Dladla Khulekani Gumede Bongekile Khukhuse Bancane Cwele Ningi Vilakazi Daniel Sbonelo Nzama Bakhethile Zindela Thabani Xolo	YES	12	04	12

Functionality of Ward Committees					
Ward Number	Name of Ward Cllr & Elected ward committee members	Committee established (Yes/No)	Number of quarterly committee meetings held during the year	Number of quarterly reports submitted to speakers' office on time	Number of quarterly public meetings held during the year (1 per quarter)
Ward 35	Cllr Zinhle Phindile Majiya Zesuliwe Gasa Edward Sibongiseni Gigaba Solomon Zindela Bonakele Vethe Mzuvela Cebisa Phumzile Mbhele Makhekhe Mhlungu Jabulile Ngesi Selby Mavundla	YES	12	04	12
Ward 36	Cllr Godfrey Sibusiso Shange Khumbuzile Mlele Mthobisi Mbali Bawinile Lindiwe Gumede Eunice Nobuhle Mzobe Mjabuliseni James Nhleko Mboneni Mdleko Nosisa Cele Mxolisi Ncayiyana Sindisiwe Diya	YES	12	04	12



Appendix F: Ward Information

Capital Programme												
R												
Capital Project	Ward(s) affected	Works completed (Yes/No/In Progress)	Date of completion	Number of completed units	Appointed Service Provider/Contractor	Work completed: Level Good/Satisfactory/ Not satisfactory	If not satisfactory please explain steps taken to improve performance	Number of Jobs created for Local Community	Source of Funding	Original Budget	Adjustment Budget	Actual Value of work completed
<b>CLUSTER 1</b>												
NTSHOMELA BRIDGE AND ROAD	32	No	N/A	0	Towercity Trading 193 CC	N/A	Project on tender award stage	0	IUDG	R2,000,000.00	R499,494.00	R0.00
NKULU COMMUNITY HALL IN WARD 36	36	No	N/A	0	Mchilobomvu Civils CC	N/A	Project on tender award stage	0	IUDG	R3,000,000.00	R140,692.00	R0.00
MBENI STORTFIELD	31	No	N/a	0	Mkhwane Group jv Somkhane Plant Hire	N/A	Project on tender award stage	0	IUDG	R1,000,000.00	R870,769.00	R0.00
ESIDLIDLINI BRIDGE	31	Yes	Oct-22	1	Sphithi Trading jv Ingadlangadla Civils Project	Satisfactory		7	IUDG	R3,000,000.00	R3,997,001.00	R4,533,220.90
<b>CLUSTER 2</b>												
DUMEZULU COMMUNITY HALL	8	No	N/A	0	ZKS and Nam General Trading	N/A	Project on tender award stage	0	IUDG	R4,000,000.00	R0.00	R0.00
NGQUMBELA ACCESS ROAD AND CAUSEWAY	7	No	N/A	0	Eyethu Projects Plant and Hire	N/A	Project on tender award stage	0	IUDG	R2,000,000.00	R116,915.00	R0.00



MBEUKA VEHICULAR BRIDGE	29	Yes	Jun-22	1	Zingezethu Trading and Projects	Satisfactory		6	IUDG	R1,725,000.00	R3,483,065.00	R5,031,435.22
<b>CLUSTER 3</b>												
ST MICHAEL MARKET STALLS	19	No	N/A	0	Tributary of Success Projects	N/A	Project on tender award stage	0	Market Stalls	R0.00	R3,000,000.00	R0.00
Mcadodo to Thundeza Pedestrian Bridge	11	Yes	Oct-22	1	Zingezethu Trading and Projects	Satisfactory		7	IUDG	R2,000,000.00	R3,688,501.00	R3,324,900.13
REHABILITATION OF MARGATE AIRPORT	6	Yes	Mar-22	1	Vumesa (PTY) LTD	Satisfactory			Margate Airport	R3,450,000.00	R3,450,000.00	R11,497,474.6 6
NCUKENI CONCRETE ROAD WARD 1	1	Yes	Nov-22	500m	Rwayiza Building Suppliers	Satisfactory		5	IUDG	R1,000,000.00	R1,156,256.00	R1,156,276.24
CONCRETING OF MKANTI ROAD WARD 10 (PHASE 2)	10	Yes	Sep-22	400M	Ithwini Plant Hire	Satisfactory		6	IUDG	R1,000,000.00	R1,326,020.00	R1,326,019.92
<b>CLUSTER 4</b>												
IZOTSHA MEMORIAL PARK CREMATORIUM		on hold	N/A	0	PGA Consulting	Satisfactory			Housing Grant	R0.00	R0.00	7,000,000.00
NKULU COMMUNITY HALL IN WARD 25	25	No	N/A	0	Manyobo Group jv Lungaphi (PTY) LTD	N/A	Project on tender award stage	0	IUDG	R1,000,000.00	R867,504.00	0.00
Chibini Concrete Road	26	Yes	Mar-22	1	Gasela Plant Hire	Satisfactory		14	IUDG	R2,500,000.00	R4,651,748.00	5,874,249.06
MLONGWANA COMBO COURT REFURBISHMENT	5	Yes	Jun-22	1	Vezokuncono jv ZHJ Holdings	Satisfactory			IUDG	R330,000.00	R837,198.00	739,220.00

MSIKABA VEHICULAR BRIDGE	25	Yes	May-22	1	Sphithi Trading jv Mzansi Women	Satisfactory		8	IUDG	R2,500,000.00	R3,934,430.00	6,963,267.47
BHAMBAYI CONCRETE ROAD WARD 27	27	Yes	Nov-22	400	RDC Building and Plumbers	Satisfactory		6	IUDG	R1,000,000.00	R1,151,315.00	1,151,314.86
<b>CLUSTER 5</b>												
MADALA TO MDLUNGWANA BRIDGE	24	No	N/A	0	Southern Union Trading jv Bright Idea Projects 2044 cc	N/A	Project on tender award stage	0	IUDG	R2,500,000.00	R871,589.00	0.00
BAR TO INGWEMABALA PEDESTRIAN BRIDGE	24	No	N/A	0	Southern Union Trading jv Bright Idea Projects 2044 cc	N/A	Project on tender award stage	0	IUDG	R2,000,000.00	R117,453.00	0.00
MAZUBANE VEHICULAR BRIDGE	21	No	N/A	0	Wevin Projects (PTY) LTD jv Sphithi Trading	N/A	Project on tender award stage	0	IUDG	R500,000.00	R96,361.00	0.00
MBILI PEDESTRIAN BRIDGE	22	Yes	Apr-22	1	Lemalwa Trading (PTY) LTD	Satisfactory		9	IUDG	R2,000,000.00	R3,635,922.00	3,487,473.25
KWASITHOLE BRIDGE AND ACCESS ROAD	21	Yes	Jun-22	1	Latifah Trading jv Makheleni Construction	Satisfactory		26	IUDG	R3,000,000.00	R6,034,327.00	6,480,580.74
<b>CLUSTER 6</b>												
MAZUBANE / DIKWE PEDESTRIAN BRIDGE	20	No	N/A	0	Appileh Nandie Trading jv Maduludi	N/A	Project on tender award stage	0	IUDG	R500,000.00	R0.00	R0.00
REHABILITATION OF NELSON MANDELA DRIVE	17	In Progress	Nov-22	0	Bright Idea Projects t/a Margate Construction	Satisfactory		24	NDPG	R40,000,000.00	R25,955,404.00	21,700,999.50

REHABILITATION OF MAIN HARDING ROAD	17	In Progress	Jan-23	0	Zibele Construction jv Abroad Success	Satisfactory		23	NDPG	R10,000,000.00	R25,955,404.00	R16,280,836.35
Vusushaba Sportfield	4	Yes	Aug-22	1	Gasela Plant Hire	Satisfactory		10	IUDG	R2,000,000.00	R2,304,710.00	R5,984,068.79
Nqwane Pedestrian Bridge	20	Yes	Mar-23	1	Appileh Nandie Trading jv Maduludi	Satisfactory		11	IUDG	R1,500,000.00	R2,593,844.00	R2,448,202.48
<b>CLUSTER 7</b>												
BANANA BEACH PEDESTRIAN BRIDGE	16	In Progress	Jun-23	0	Mfomfo Trading Enterprises	Good		15	IUDG	R3,000,000.00	R3,392,628.00	R3,311,777.20
MVUZANE BRIDGE AND ROADS	14	In Progress	May-23	0	Imbewu Yezwe Projects	Not Satisfactory	Contractor under termination	15	IUDG	R4,000,000.00	R5,704,058.00	R3,619,981.91
UPGRADE OF LOUISIANA RING ROAD AND STORMWATER	15	In Progress	Aug-23	0	Gilgal Development Consulting	Good		19	IUDG	R7,500,000.00	R11,500,000.00	R16,028,720.04
SUGERMILL ROAD PEDESTRIAN BRIDGE	12	No	N/A	0	Mthwane Projects (PTY) LTD	N/A	Project on tender award stage	0	IUDG	R2,000,000.00	R603,430.00	R0.00
HIBBERDEN MARKET STALLS		No	N/A	0	Intathakusa Projects 11/07	N/A	Project on tender award stage	0	Market Stalls	R0.00	R4,000,000.00	R0.00
<b>MUNICIPAL WIDE PROJECTS</b>												
MARBURG MOTOR MECHANICAL WORKSHOP	17	Yes	Mar-23	1	ZSZ Projects jv High Point Trading	Satisfactory		24	GBS Grant	R11,668,206.00	R11,668,206.00	R19,133,449.78
URBAN STORMWATER (INTERNALLY FUNDED)	Various	Yes	Jun-23	139m	Different Service Providers	Satisfactory		7	Internal	R3,500,000.00	R3,850,002.00	R6,500,925.39

RURAL STORMWATER (IUDG FUNDED)	Various	Yes	Jun-23	250M	Different Service Providers	Satisfactory		6	IUDG	R2,000,000.00	R1,919,280.00	R1,861,852.62
INFILLS IN VARIOUS WARDS (Ward 20, 21 & 22)	Various	Yes	Jun-22	341	Different Service Providers	Satisfactory		10	INEP	R9,600,000.00	R8,040,000.00	R6,890,370.84
COGTA ELECTRIFICATION	Various	In Progress	N/A	0	BTMN Engineers	Good		8	COGTA Electrification	R6,000,000.00	R6,000,000.00	R5,215,189.39
INSTALLATION OF OUTDOOR GYM AND EQUIPMENT	Various	Yes	Jun-22	1	Thembamina Trading	Satisfactory		5	IUDG	R500,000.00	R588,985.00	R607,197.70
ROAD RESEALS	Various	Yes	Jun-22	7	Different Service Providers	Satisfactory		6	IUDG	R4,500,000.00	R5,089,783.00	R9,823,387.40
INSTALLATION OF WATER TANKS WITHIN RNM	Various	Yes	Jun-22	18	Different Service Providers	Satisfactory		15	Internal	R2,500,000.00	R2,000,000.00	R2,119,852.50



## Appendix G: Audit Committee Recommendations

Municipal Audit Committee Recommendations		
Date of audit committee meeting	Committee recommendations 2022- 2023	Recommendation adopted (enter Yes) if No provide explanation
FRIDAY, 22 JULY 2022, ORDINARY MEETING	<p>RISK MANAGEMENT PROGRESS REPORT FOR QUARTER 4 (9/1/2/1) (“J”/OMM/IA 2208072022)</p> <p>The report which appeared on the agenda was considered.</p> <p>Salient points emanated from the report</p> <ul style="list-style-type: none"> <li>• The committee requested a submission of the draft Standard Operation Procedure at the next Audit Committee meeting.</li> <li>• The committee requested a submission of the draft Standard Operation Procedure at the next Audit Committee meeting.</li> <li>• The committee recommended that with regards to slow and nonresponse to addressing of actions to be undertaken in terms the Risk Management register by Managers, a report be submitted to the next meeting indicating the Head of Department that did not respond in conjunction with the commentary from the Municipal Manager.</li> <li>• The issue of the Internal Audit unit and Risk Management unit being consolidated as one section together with the comments thereof, was noted.</li> </ul> <p><b>IA104/07/2022</b> <b>RESOLVED</b></p> <p>1. THAT the report dated 26 April 2022, submitted by the Manager: Internal Audit and Risk Management, regarding the Risk Management progress report for Quarter three (3), be and is hereby received and noted;</p> <p>2. THAT it be noted that the monitoring process of following-upon implementation of action plans/mitigation measures was done with management on all action plans that were due;</p>	Yes

	<p>3. THAT it be noted that continuous monitoring and follow-up on implementation of risk mitigation measures will be done as and when they are due;</p> <p>4. THAT it be noted that a draft Standard Operation Procedure, be submitted at the next Audit Committee meeting; and</p> <p>5. THAT the report indicating the Head of Department that did not respond to the actions to be undertaken in terms of the Risk Management register, be submitted to the next meeting in conjunction with the commentary from the Municipal Manager.</p>	
FRIDAY, 22 JULY 2022, ORDINARY MEETING	<p>AUDIT COMMITTEE ANNUAL WORK PLAN FOR THE 2022 – 2023 FINANCIAL YEAR (6/15/1/2/1) (“J”/OMM/IA 233072022)</p> <p>The report which appeared on the agenda was considered.</p> <p><u>Salient points emanated from the report.</u> The issue of dates must be submitted to Audit Committee members.</p> <p><b>RESOLVED TO RECOMMEND</b></p> <ol style="list-style-type: none"> <li>1. THAT the report dated 14 July 2022, submitted by the Manager: Internal Audit and Risk Management, regarding the Audit Committee Annual Work Plan for the 2022 – 2023 financial year, be and is hereby received and noted;</li> <li>2. THAT as the functions of the committee are formally outlined in Section 166 of the MFMA 2003 and in the Audit Committee Charter, the committee has prepared an Annual Work Plan to discharge the delegated responsibilities; and</li> <li>3. THAT the Audit Committee 2022 - 2023 Annual Work Plan, be recommended for approval by Council</li> </ol>	Yes
FRIDAY, 22 JULY 2022, ORDINARY MEETING	<p>STATUS ON IMPLEMENTATION OF COMPLIANCE REGISTER – JUNE 2022 (9/1/2/5) (“J”/OMM/IA 241072022)</p>	Yes

	<p><b>The report which appeared on the agenda was considered.</b></p> <p><b>IA105/07/2022 RESOLVED</b></p> <ol style="list-style-type: none"> <li>1. THAT the report dated 19 July 2022, submitted by the Manager: Internal Audit and Risk Management, regarding the Compliance Register for June 2022, be and is hereby received and noted.</li> <li>2. THAT it be noted that the Compliance Register is monitored monthly by the Internal Audit and Risk Management Unit and reports are submitted to the Corporate Management Committee; and</li> <li>3. THAT it be noted that the municipality has complied with the laws and regulations as indicated in the registers attached to the report.</li> </ol>	
<p>FRIDAY, 22 JULY 2022, ORDINARY MEETING</p>	<p><b>PROGRESS REPORT ANNUAL AUDIT PLAN 2021 - 2022 AS AT JUNE 2022 (10/2/1/1) (“J”/OMM/IA – 222042022)</b></p> <p>The report which appeared on the agenda was considered.</p> <p><u>Salient points emanated from the report.</u></p> <p>The committee advised to include the review of the Annual Financial Statements with regards to Bank and Cash Management Audit.</p> <p><b>IA106/07/2022 RESOLVED</b></p> <ol style="list-style-type: none"> <li>1. THAT the report dated 14 July 2022, submitted by the Manager: Internal Audit and Risk Management, regarding the progress report on the Annual Audit Plan 2021 - 2022, be and is hereby received and noted;</li> <li>2. THAT it be noted that the Internal Audit &amp; Risk Management unit has been involved in ad-hoc projects (internal pre-liminary investigations) and activities such as the year-end stock count and the RNM employee verification process;</li> <li>3. THAT the Bank and Cash Management Audit be transferred to the 2022 – 2023 financial year;</li> </ol>	<p>Yes</p>



	<p>4. THAT the review of the Annual Financial Statements, be included to the Bank and Cash Management Audit; and</p> <p>5. THAT the Internal Audit section was commended for their outstanding work.</p>	
<p>FRIDAY, 22 JULY 2022, ORDINARY MEETING</p>	<p>TREASURY SECTION 52 (d) &amp; 71 (1) REPORT AS OF 30 JUNE 2022 (10/1/2/5) (CFO2562022)</p> <p>The report which appeared on the agenda was considered.</p> <p><u>Salient points emanated from the report.</u></p> <ul style="list-style-type: none"> <li>• The committee advised that with regards to electricity issue, the Operational Strategic and Fraud Risk in the Risk Register be carried over to the current 2022/2023 financial year. Furthermore, it was advised that Council should consider incentivizing/rewarding local residents on credible reporting of illegal connections.</li> <li>• Upon the acknowledgement and response from the Chief Financial Officer on matters/comments raised by the Audit Committee, the report was noted.</li> </ul> <p><b>IA107/07/2022 RESOLVED</b></p> <p>1. THAT the report dated 14 July 2022, submitted by the Chief Financial Officer, regarding the Treasury Section 52 (D) &amp; 71 (1) report as of 30 June 2022, be and is hereby received and noted;</p> <p>2. THAT the Quarterly Budget Statement Section 52 (d) report for Q4, for the period ending 31 June 2022, be and is hereby received and noted;</p> <p>3. THAT the Monthly Budget Statement Section 71 (1) report for M10, for the period ending 30 April 2022, be and is hereby received and noted;</p> <p>4. THAT the Monthly Budget Statement Section 71 (1) report for M11, for the period ending 31 May 2022, be and is hereby received and noted;</p>	<p>Yes</p>

	<p>5. THAT the Monthly Budget Statement Section 71 (1) report for M12, for the period ending 30 June 2022, be and is hereby received, and noted; and</p> <p>6. THAT it be noted that the Operational Strategic and Fraud Risk in the Risk Register, be carried over to the current 2022/2023 financial year in relation to the electricity matters.</p>	
FRIDAY, 22 JULY 2022, ORDINARY MEETING	<p>DEVIATIONS FROM THE SUPPLY CHAIN MANAGEMENT POLICY FOR APRIL – JUNE 2022 (8/1/P) (CFO2522022)</p> <p>The report which appeared on the agenda was considered.</p> <p><b>IA108/07/2022 RESOLVED</b></p> <p>1. THAT the report dated 13 July 2022, submitted by the Chief Financial Officer, regarding the Deviations from the Supply Chain Management Policy for April – June 2022, be and are received and noted;</p> <p>2. THAT the deviations for the month of April – June 2022 amounting to R 298 101.67 was noted;</p> <p>3. THAT it be noted that the Head of Departments ensure that deviations are minimized / eliminated;</p> <p>4. THAT deviation forms be completed to support reasons as per section 36(a) and (b) of the Municipal Finance Management Act (MFMA) 2003; and</p> <p>4. THAT all deviation forms be supported by the Chief Financial Officer or the delegated authority.</p>	Yes
Date of audit committee meeting	Committee recommendations 2022- 2023	Recommendation adopted (enter Yes) if No provide explanation
FRIDAY, 22 JULY 2022, ORDINARY MEETING	FRUITLESS WASTEFUL EXPENDITURE REGISTERS – APRIL – JUNE 2021 (6/1/1) (CFO2552022)	Yes

	<p>The report which appeared on the agenda was considered.</p> <p><b>IA109/07/2022</b> <b>RESOLVED</b></p> <p>1. THAT the report dated 14 July 2022, submitted by the Chief Financial Officer, regarding Fruitless Wasteful Expenditure Registers for April – June 2022, be and is hereby received and noted;</p> <p>2. THAT it be noted that the Fruitless Wasteful Expenditure Registers for April – June 2022 amounted to R 1 641.19 as follows: -</p> <p>April: R 81.50; May: R 1 420.22; and June: R 139.47.</p> <p>4. THAT it be noted that where interest was charged because of late allocations, Ray Nkonyeni Municipality continuously engages with the relevant institutions (Ugu, Eskom etc.) to reverse the interest.</p>	
FRIDAY, 22 JULY 2022, ORDINARY MEETING	<p><b>IRREGULAR EXPENDITURE FOR APRIL – JUNE 2022 (8/1/P) (CFO2532022)</b></p> <p>The report which appeared on the agenda was considered.</p> <p><b>IA110/07/2022</b> <b>RESOLVED</b></p> <p>1. THAT the report dated 13 July 2022, submitted by the Chief Financial Officer, regarding the Irregular Expenditure for April – June 2022, be and is hereby received and noted; and</p> <p>2. THAT it be noted that there was no Irregular Expenditure incurred for April – June 2022.</p>	Yes
FRIDAY, 22 JULY 2022, ORDINARY MEETING	<p><b>ASSET MANAGEMENT REPORT FOR JUNE 2022 (7/1/1) (CFO2572022)</b></p> <p>That the report dated 14 July 2022, submitted by the chief financial officer, regarding the asset management report for June 2022, be and is hereby received and noted.</p>	Yes

<p>FRIDAY, 22 JULY 2022, ORDINARY MEETING</p>	<p>CONTRACT REGISTER AS AT JUNE 2021 (8/1/5) (CFO2542022)</p> <p>The report appearing on the agenda was considered.</p> <p><b>IA112/07/2022</b> <b>RESOLVED</b></p> <p>1. THAT the report dated 7 July 2022, submitted by the Chief Financial Officer, regarding the Contract Register for June 2022, be and is hereby received and noted;</p> <p>2. THAT it be noted that Departments commence with procurement processes on contracts that expires within eight (08) months; and</p> <p>3. THAT it be noted that Departments submits the draft Service Level Agreement (SLA's), within two (02) weeks after the letter of appointment has been signed by the Municipal Manager, to the Supply Chain Management Manager to be processed.</p>	<p>Yes</p>
<p>FRIDAY, 22 JULY 2022, ORDINARY MEETING</p>	<p>LITIGATION MATTERS FOR QUARTER THREE (3) – Manager Legal and Compliance</p> <p>10.4.1 REPORT ON CONTINGENT LIABILITY REGISTER AS AT JUNE 2022 (9/1/2/5) (DCS14072022)</p> <p>The report appearing on the agenda was considered.</p> <p><b>IA113/07/2022</b> <b>RESOLVED</b></p> <p>THAT the report dated 14 July 2022, submitted by the Head of Department Corporate Services, regarding the Contingent Liability Register as of June 2022, be and is hereby received and noted.</p>	<p>Yes</p>
<p>FRIDAY, 22 JULY 2022, ORDINARY MEETING</p>	<p>2022 - 2023 REVIEWED AUDIT COMMITTEE CHARTER (4/3/2/24) ("J"/OMM/IA 232072022)</p> <p>The report which appeared on the agenda was considered.</p> <p>Salient points emanated from the report.</p>	<p>Yes</p>

	<p>The committee advised that in terms of the treasury rate used by the municipality it was not applicable to Local Government neither Treasury (National/Provincial), and could the matter be discussed at the Municipal Manager's Forum. In addition, the Municipality proposed that the Audit Committee writes a formal letter to the Municipal Manager of the District and copy all four Municipal Managers of the local municipalities pleading that the matter be placed on the agenda of one of their meetings so that the matter receives the attention it deserves.</p> <p>RESOLVED TO RECOMMEND</p> <ol style="list-style-type: none"> <li>1. THAT the report dated 19 July 2022, submitted by the Manager: Internal Audit and Risk Management, regarding the 2022 - 2023 reviewed Audit Committee Charter, be and is hereby received and considered;</li> <li>2. THAT it be noted that there were no changes made to the Audit Committee Charter that was approved in the previous 2021-2022 financial year; and</li> <li>3. THAT the 2022 – 2023 reviewed Audit Committee Charter, be approved by Council.</li> </ol>	
FRIDAY, 22 JULY 2022, ORDINARY MEETING	<p>2022 – 2023 REVIEWED INTERNAL AUDIT CHARTER (4/3/2/24) ("J"/OMM/IA 231072022)</p> <p>The report which appeared on the agenda was considered.</p> <p>RESOLVED TO RECOMMEND</p> <ol style="list-style-type: none"> <li>1. THAT the report dated 14 July 2022, submitted by the Manager: Internal Audit and Risk Management, regarding the 2022 – 2023 reviewed Internal Audit Charter, be and is hereby received and considered.</li> <li>2. THAT it be noted that there were no changes made to the Internal Audit Charter that was approved in the previous 2021-2022 financial year; and</li> </ol>	Yes

	3.THAT the 2022 – 2023 reviewed Internal Audit Charter, be approved by Audit Committee	
Date of audit committee meeting	Committee recommendations 2022- 2023	Recommendation adopted (enter Yes) if No provide explanation
FRIDAY, 22 JULY 2022, ORDINARY MEETING	<p>2022 - 2023 REVIEWED METHODOLOGY FOR THE RAY NKONYENI MUNICIPALITY INTERNAL AUDIT UNIT (6/15/1/2/1) (“J”/OMM/IA 334072022)</p> <p>The report which appeared on the agenda was considered.</p> <p><b>RESOLVED TO RECOMMEND</b></p> <p>1. THAT the report dated 14 July 2022, submitted by the Manager: Internal Audit and Risk Management, regarding the reviewed methodology for the RNM Internal Audit Unit 2022 - 2023, be and is hereby received and noted; and</p> <p>2. THAT approval be granted regarding the implementation of the reviewed methodology for the Ray Nkonyeni Municipality 2022 – 2023 Internal Audit Unit.</p>	Yes
FRIDAY, 22 JULY 2022, ORDINARY MEETING	<p>INVESTIGATION OF IRREGULAR, FRUITLESS AND WASTEFUL EXPENDITURE DISCLOSED IN THE AUDITED ANNUAL FINANCIAL STATEMENTS 2020 – 2021 AND THE CONSOLIDATED IRREGULAR, FRUITLESS AND WASTEFUL EXPENDITURE IDENTIFIED IN THE 2021 – 2022 FINANCIAL YEAR (10/2/1/1) (“J”/OMM/IA – 335072022)</p> <p>The report which appeared on the agenda was considered.</p> <p><b>RESOLVED TO RECOMMEND</b></p> <p>1. THAT the report dated 14 July 2022, submitted by the Manager: Internal Audit and Risk Management, regarding the investigation of irregular expenditure and fruitless and wasteful expenditure disclosed in the audited annual financial statements 2020 – 2021 and the consolidated irregular, fruitless and wasteful</p>	Yes

	<p>expenditure identified in the 2021 – 2022 financial year, be and is hereby received and noted;</p> <p>2.THAT it be noted that the Municipal Public Accounts Committee resolved that the amounts relating to the Irregular Expenditure reported for the Ezingoleni Housing Projects totaling to R 20 729 801,80 be recommended to Council to be written-off; and</p> <p>3. THAT it be noted that the Municipal Public Accounts Committee resolved that the amount relating to fruitless and wasteful expenditure incurred totalling R17 001.13 be recommended to council for write-off;</p> <p>4. THAT it be noted that the investigation of the irregular expenditure relating to excess payments amounting to R 3 062 476,06 is still in progress; and</p> <p>5. THAT the investigation of the Irregular Expenditure and Fruitless and Wasteful Expenditure disclosed in the Audited Annual Financial Statements 2020 – 2021 and the consolidated Irregular, Fruitless and Wasteful Expenditure identified in the 2021 – 2022 financial year, be approved by Council.</p>	
<p>FRIDAY, 22 JULY 2022, ORDINARY MEETING</p>	<p>2022 – 2023 RISK-BASED INTERNAL AUDIT PLAN (6/15/1/1/1) (“J”/OMM/IA 238072022)</p> <p>The report which appeared on the agenda was considered.</p> <p>Salient points emanated from the report</p> <p>The committee advised that with regards to the review of the draft SDBIP for the next financial year 2023/2024 on the last quarter of the current financial year 2022/2023 to include the following: -</p> <ul style="list-style-type: none"> <li>• Internal audit performing a review to test alignment between the IDP, the SDBIP and the budget:</li> <li>• Test the draft budget for the next financial year to establish whether its funded.</li> </ul>	<p>Yes</p>

	<ul style="list-style-type: none"> <li>• Test whether the KPI's were smart and whether the base line information corresponds to the prior year.</li> <li>• Test whether the budget amounts recorded in the draft SDBIP were accurate.</li> </ul> <p>A detailed report (detailing fundings) must be submitted to Corp Manco for oversight prior to be submitted to the Audit Committee.</p> <p><b>RESOLVED TO RECOMMEND</b></p> <ol style="list-style-type: none"> <li>1. THAT the report dated 14 July 2022, submitted by the Manager: Internal Audit and Risk Management, regarding the risk-based Internal Audit Plan for 2022 – 2023, be and is hereby received and considered;</li> <li>2. THAT the Risk-Based Internal Audit Plan for 2022 – 2023 financial year, is supported by the Audit Committee; and</li> <li>3. THAT the progress regarding the implementation of the Annual Audit Plan, be provided to the Audit committee on a quarterly basis</li> </ol>	
FRIDAY, 22 JULY 2022, ORDINARY MEETING	<p>INTERNAL AUDIT REPORT ON REVIEW OF YOUTH MANAGEMENT (6/15/1/2/1) ("J"/OMM/IA 237072022)</p> <p>The report which appeared on the agenda was considered.</p> <p><b>RESOLVED TO RECOMMEND</b></p> <ol style="list-style-type: none"> <li>1. THAT the report dated 14 July 2022, submitted by the Manager: Internal Audit and Risk Management, regarding the internal audit report on the review of youth management, be and is hereby received and considered;</li> <li>2. THAT the findings raised in the report be addressed as per the management commitments in the action plan; and</li> <li>3. THAT the Internal Audit follow-up report, be submitted to the next meeting to assess the corrective action undertaken to address those findings.</li> </ol>	Yes



Date of audit committee meeting	Committee recommendations 2022- 2023	Recommendation adopted (enter Yes) if No provide explanation
FRIDAY, 22 JULY 2022, ORDINARY MEETING	<p>INTERNAL AUDIT REPORTS (6/15/1/2/1) ("J"/OMM/IA 239072022)</p> <p>The report which appeared on the agenda was considered.</p> <p><b>IA114/07/2022 RESOLVED</b></p> <p>1. THAT the verbal report dated 18 July 2022, submitted by the Manager: Internal Audit and Risk Management, regarding the internal audit reports on the review of Supply Chain Management, Estate Management and ICT Governance, be and are hereby received and noted;</p> <p>2. THAT the findings raised in the reports be addressed as per the management commitments in the action plan; and</p> <p>3. THAT the resolutions be escalated to the Audit Committee resolution register.</p>	Yes
MONDAY, 22 AUGUST 2022, SPECIAL MEETING	<p>DRAFT ANNUAL FINANCIAL STATEMENT SECTION 122 AND 166 REPORT AS OF 30 JUNE 2022 (10/1/2/5) (CFO3062022)</p> <p>The report which appeared on the agenda was considered.</p> <p>Salient points emanated from the report</p> <p>After all deliberation upon the reviewal of the item, the committee recommended to include a sub-heading called offsetting indicating that asset liability, receivables and expenses were not offset unless required in terms of the standard, and an updated report be submitted at the next special meeting scheduled for Friday, 26 August 2022 at 18:00.</p> <p><b>SIA103/08/2022 RESOLVED</b></p>	Yes

	<p>1. THAT the report dated 19 August 2022, submitted by the Chief Financial Officer, regarding the draft Annual Financial Statement section 122 and 166 report as of 30 June 2022, be and is hereby received and noted; and</p> <p>2. THAT a sub-heading called offsetting be included indicating that asset liability, receivables and expenses were not offset unless required in terms of the standard, and an updated report be submitted at the next special meeting scheduled for Friday, 26 August 2022 at 18:00 for further reviewal.</p>	
<p>MONDAY, 22 AUGUST 2022, SPECIAL MEETING</p>	<p>INTERNAL AUDIT REVIEW NOTES ON REVIEW OF ANNUAL FINANCIAL STATEMENTS 2021 / 2022 (5/8/3/13) ("J"/OMM/IA 242082021)</p> <p>The report which appeared on the agenda was considered.</p> <p><b>SIA104/08/2022 RESOLVED</b></p> <p>1. THAT the report dated 18 August 2022, submitted by the Manager: Internal Audit &amp; Risk Management, regarding the internal audit review notes on review of Annual Financial Statements 2021/2022, be and is hereby received and noted;</p> <p>2. THAT it be noted that the draft Financial Statements 2021/2022 were reviewed by the Internal Audit and the review notes were submitted to Treasury for actioning; and</p> <p>3. THAT an updated report be submitted at the next special meeting scheduled for Friday, 26 August 2022 at 18:00 for further reviewal.</p>	<p>Yes</p>
<p>WEDNESDAY, 20 OCTOBER 2022, ORDINARY MEETING</p>	<p>RISK MANAGEMENT PROGRESS REPORT FOR QUARTER 1 (9/1/2/1) ("J"/OMM/IA 251102022)</p> <p>The report was considered.</p> <p><u>Salient points emanated from the report</u></p>	<p>Yes</p>

	<ul style="list-style-type: none"> <li>• The committee requested that the summary of the risks detailing action plans in the risk register be included in the report and submitted in the next meeting.</li> <li>• The committee was content with the manual working system via excel, however, recommended that it must reflect strategic and operational risks.</li> <li>• The committee was not satisfied with the issue of the Internal Audit unit and Risk Management unit managed under one section as this may be construed to impair the independence of the Internal Audit. The Manager: Internal Audit and Risk Management section confirmed that the issue was being attended to accordingly.</li> <li>• The committee recommended that the detailed register be attached to the strategic risks report in future.</li> <li>• The committee recommended that the risks pertaining to Information Technology be covered in the risk assessment process.</li> <li>• The committee proposed that a comprehensive report in relation to the status of the Ray Nkonyeni Municipality in implementing/generating its own energy and/ include a project development plan in terms of generating its own power if there are intentions, be submitted in the next meeting.</li> </ul> <p><b>AI 05/1012022 RESOLVED</b></p> <p>1 . THAT the report dated 1 1 October 2022, submitted by the Manager: Internal Audit and Risk Management, regarding the Risk Management progress report for Quarter one (1), be and is hereby received and noted;</p>	
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	<p>2. THAT it be noted that a follow-up on actions that were due in quarter one has been conducted and updated on the Operational Risk Register;</p> <p>3. THAT it be noted that a follow-up on the implementation of action plans will be ongoing as and when they are due;</p> <p>4. THAT a summary of the risks detailing action plans in the risk register be included in the report and be submitted at the next Audit Committee meeting;</p> <p>5. THAT the committee was content with the Microsoft Excel utilized to prepare manual working system, however, recommended that it must reflect strategic and operational risks;</p> <p>6. THAT it be noted that the detailed risk register be attached to the strategic risks report in future;</p> <p>7. THAT it be noted that the Information Technology risks be covered in the risk assessment process; and</p> <p>8. THAT it be noted that a comprehensive report in relation to the status of the Ray Nkonyeni Municipality in implementing/generating its own energy and/ include a project development plan in terms of generating its own power if there are intentions, be submitted at the next Audit Committee meeting.</p>	
<p>WEDNESDAY, 20 OCTOBER 2022, ORDINARY MEETING</p>	<p>INTERNAL AUDIT AND RISK MANAGEMENT REPORT ON THE RAY NKONYENI MUNICIPALITY EMPLOYEE VERIFICATION - 2022 (250102022) ("J"/OMM/IA 250102022)</p> <p>The report was considered.</p> <p><u>Salient points emanated from the report:</u></p>	<p>Yes</p>

	<p>The committee requested that an updated report on the Ray Nkonyeni Municipality employee verification be submitted at the next meeting.</p> <p style="text-align: center;"><b>IA 106/10/2022 RESOLVED</b></p> <p>1 . THAT the report dated 1 1 October 2022, submitted by the Manager: Internal Audit and Risk Management regarding the 2022 Ray Nkonyeni Municipality employee verification, be and is hereby received and noted;</p> <p>2. THAT it be noted that the physical verification was scheduled to take place from 1 1 July to 03 August 2022;</p> <p>3. THAT it be noted that a final opportunity had been granted for the remaining employees to present themselves for verification; and</p> <p>4. THAT the physical verification process be concluded by the end of October 2022 with an updated report being submitted at next Audit Committee meeting.</p>	
<p>WEDNESDAY, 20 OCTOBER 2022, ORDINARY MEETING</p>	<p>STATUS ON IMPLEMENTATION OF COMPLIANCE REGISTER - JULY TO SEPTEMBER 2022 (9/1/2/5) ("J"/OMM/IA 252102022)</p> <p style="text-align: center;"><b>IA107/10/2022 RESOLVED</b></p> <p>1. THAT the report dated 1 1 October 2022, submitted by the Manager: Internal Audit and Risk Management, regarding the Compliance Register for July to September 2022, be and is hereby received and noted;</p> <p>2. THAT it be noted that the Compliance Register is monitored monthly by the Internal Audit and Risk Management Unit and reports are submitted to the Corporate Management Committee; and</p>	<p>Yes</p>

	<p>3. THAT it be noted that the municipality has complied with the laws and regulations as indicated in the registers attached to the report.</p>	
<p>WEDNESDAY, 20 OCTOBER 2022, ORDINARY MEETING</p>	<p>TREASURY SECTION 52 (D) &amp; 71 (1) REPORT AS OF 30 SEPTEMBER 2022 (10/1/2/5) (CF03572022)</p> <p>The report was considered wherein it was:</p> <p><b>IA 108/10/2022 RESOLVED</b></p> <p>THAT the report dated 10 October 2022 submitted by the Chief Financial Officer regarding the Treasury Section 52 (D) &amp; 71 (1) report as of 30 September 2022, be and is hereby received and noted;</p> <p>2. THAT the Quarterly Budget Statement Section 52 (d) report for Q1 , for the period ending 30 September 2022, be and is hereby received and noted;</p> <p>3. THAT the Monthly Budget Statement Section 71 (1) report for MOI , for the period ending 31 July 2022, be and is hereby received and noted;</p> <p>4. THAT the Monthly Budget Statement Section 71 (1) report for M02, for the period ending 31 August 2022, be and is hereby received and noted; and</p> <p>5. THAT the Monthly Budget Statement Section 71 (1) report for M03, for the period ending 30 September 2022, be and is hereby received, and noted.</p>	<p>Yes</p>
<p>WEDNESDAY, 20 OCTOBER 2022, ORDINARY MEETING</p>	<p>DEVIATIONS FROM THE SUPPLY CHAIN MANAGEMENT POLICY FOR JULY SEPTEMBER 2022 (8/1/P) (CF03622022)</p> <p>The report was considered wherein it was:</p> <p><b>IA 09/10/2022 RESOLVED</b></p> <p>1. THAT the report dated 12 October 2022 submitted by the Chief Financial Officer regarding the Deviations from the Supply Chain Management Policy for July —</p>	<p>Yes</p>

	<p>September 2022, be and are received and noted;</p> <p>2. THAT the deviations for the month of July — September 2022 amounting to R 1 203 917.42 was noted;</p> <p>3. THAT it be noted that the Head of Departments ensure that deviations are minimized / eliminated;</p> <p>4. THAT deviation forms be completed to support reasons as per section 36(a) and (b) of the Municipal Finance Management Act (MFMA) 2003; and</p> <p>5. THAT all deviation forms be supported by evidence of approval from the Municipal Manager or other delegated authority.</p>	
<p>WEDNESDAY, 20 OCTOBER 2022, ORDINARY MEETING</p>	<p>FRUITLESS WASTEFUL EXPENDITURE REGISTERS - JULY - SEPTEMBER 2022 (6/1/1) (CF03602022)</p> <p>The report was considered wherein it was: <b>IA110/10/2022 RESOLVED</b></p> <p>1. THAT the report dated 14 July 2022 submitted by the Chief Financial Officer regarding Fruitless Wasteful Expenditure Registers for July — September 2022, be and is hereby received and noted;</p> <p>2. THAT it be noted that the Fruitless Wasteful Expenditure registers for July — September 2022 amounted to R 6,521.05 as follows: -</p> <p>August : R 3,630.47, and R 439.02, September : R 2,465.32,</p> <p>2. THAT it be noted that where interest was charged because of late allocations, Ray Nkonyeni Municipality continuously engages with the relevant institutions (Ugu, ESKOM etc.) to reverse the interest.</p>	<p>Yes</p>

<p>WEDNESDAY, 20 OCTOBER 2022, ORDINARY MEETING</p>	<p>IRREGULAR EXPENDITURE FOR JULY - SEPTEMBER 2022 (8/1/P) (CF03632022)</p> <p><u>Salient points emanated from the report: -</u></p> <p>The committee requested that the report regarding the R3million pertaining to the investigation of the expired contracts be submitted at the next Audit Committee meeting after being dealt with by the Municipal Public Accounts Committee (MPAC) The report was considered wherein it was:</p> <p><b>IAIII/1012022</b> <b>RESOLVED</b></p> <p>THAT the report dated 12 October 2022 submitted by the Chief Financial Officer regarding the irregular expenditure for July — September 2022, be and is hereby received and noted; and</p> <p>2. THAT it be noted that there was no irregular expenditure incurred for July — September 2022; and</p> <p>3. THAT the updated report regarding the R3million pertaining to the investigation of the expired contracts be submitted at the next Audit Committee meeting after being dealt with by the Municipal Public Accounts Committee (MPAC).</p>	<p>Yes</p>
<p>WEDNESDAY, 20 OCTOBER 2022, ORDINARY MEETING</p>	<p>ASSET MANAGEMENT REPORT FOR JUNE 2022 (7/1/1) (CF03692022)</p> <p>The report was considered wherein it was:</p> <p><b>AI 12/10/2022</b> <b>RESOLVED</b></p> <p>THAT the report dated 14 October 2022 submitted by the Chief Financial Officer regarding the Asset Management report for September 2022, be and is hereby received and noted.</p>	<p>Yes</p>
<p>WEDNESDAY, 20 OCTOBER 2022,</p>	<p>CONTRACT REGISTER AS AT SEPTEMBER 2022 (8/1/5) (CF02022)</p>	<p>Yes</p>



ORDINARY MEETING	<p>The report was considered wherein it was:</p> <p style="text-align: center;"><b>IA113/10/2022 RESOLVED</b></p> <p>3. THAT the report dated 14 October 2022 submitted by the Chief Financial Officer regarding the Contract Register for September 2022, be and is hereby received and noted.</p> <p>4. THAT it be noted that Departments commence with procurement processes on contracts that expires within eight (08) months; and</p> <p>5. THAT it be noted that Departments submit the draft Service Level Agreement (SLA's), within two (02) weeks after the letter of appointment has been signed by the Municipal Manager to the Supply Chain Management Manager to be processed.</p>	
WEDNESDAY, 20 OCTOBER 2022, ORDINARY MEETING	<p>REPORT ON CONTINGENT LIABILITY REGISTER AS AT SEPTFMBFR 2022 (9/1/2/5) (DCS7102022)</p> <p>The report was considered and deliberated upon</p> <p>Salient points emanated from the report: -</p> <p>Clarity was sought regarding the claims for damages that are supposed to be conveyed to Department of Transport, however, submitted to Ray Nkonyeni Municipality for attention. In response, it was said that the above-mentioned issue will be conveyed to the relevant department for clarification.</p> <p style="text-align: center;"><b>14/10/2022 RESOLVED</b></p> <p>THAT the report dated 7 October 2022, submitted by the Head of Department Corporate Services regarding the Contingent Liability Register as of September 2022, be and is hereby received and noted.</p>	Yes
WEDNESDAY, 20 OCTOBER 2022,	PROGRESS REPORT ANNUAL AUDIT PLAN 2022/23 AS AT OCTOBER 2022	Yes

<p>ORDINARY MEETING</p>	<p>(10/2/1/1) ("J"/OMM/IA - 249102022)</p> <p>The report was considered and deliberated upon.</p> <p>Salient points emanated from the report The committee recommended that the number of hours utilized by the Internal Audit section when providing direct assistance to the Auditor-General of South Africa (AGSA) be included in the next submission on the progress report on the Annual Audit Plan.</p> <p><b>IA115/10/2022</b> <b>RESOLVED</b></p> <ol style="list-style-type: none"> <li>1. THAT the report dated 1 1 October 2022 submitted by the Manager: Internal Audit and Risk Management regarding the progress report on annual audit plan 2022/23, be and is hereby received and noted;</li> <li>2. THAT it be noted that the departmental portfolio of evidence for the quarter 1 Performance Management System was due for review by the Performance Monitoring and Evaluation office at the date of this report.</li> <li>3. THAT it be noted that the Internal Audit report on the review of performance management system - quarter 1 portfolio of evidence, be submitted at the next Audit Committee meeting;</li> <li>4. THAT the Internal Audit unit was commended for the outstanding work and working in collaboration and providing direct assistance to the Auditor-General of South Africa (AGSA) with their audit on predeterment objectives. Furthermore, the committee recommended that the collaboration be an ongoing activity between Internal Audit and AGSA; and</li> </ol>	
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	<p>5. THAT it be noted that a progress report on the Annual Audit Plan must comprise of the number of hours utilized by Internal Audit in providing direct assistance to the AGSA in the next submission.</p>	
<p>WEDNESDAY, 20 OCTOBER 2022, ORDINARY MEETING</p>	<p>INTERNAL AUDIT REPORT ON THE REVIEW OF THE PERFORMANCE MANAGEMENT SYSTEM - ALIGNMENT AND LINKAGE (5/14/1/2/211) ("J'/OMM/IA 254102022)</p> <p>The report which appeared on the agenda was considered.</p> <p><u>Salient points emanated from the report</u></p> <ul style="list-style-type: none"> <li>• The committee recommended that a follow-up report providing assurance that the required management action has been implemented after the mid-term budget adjustments, be submitted at next audit committee meeting.</li> <li>• The committee recommended that where findings have not been addressed satisfactory by management, the Municipal Manager must provide reasons as to why the deficiencies were not remedied, with consequence management actions undertaken against officials responsible for those deficiencies.</li> <li>• The committee recommended that the review of the Performance Management System — Alignment and Linkage be undertaken prior to the approval of the budget for the forthcoming financial year.</li> </ul> <p><b>AI 16/10/2022</b> <b>RESOLVED</b></p> <p>1. THAT the report dated 12 October 2022 submitted by the Manager: Internal Audit and Risk Management regarding the Internal Audit report on the review of the Performance Management System — Alignment and Linkage, be and is hereby received and noted;</p> <p>2. THAT the findings raised in the report be addressed as per the management commitments in the action plan.</p>	<p>Yes</p>

	<p>3. THAT it be noted that the internal audit review of the assessment of performance measurements against the progress made in achieving the strategic objectives of the Council as set out in the IDP and SDBIP be concluded in November 2022;</p> <p>6. THAT a follow-up report providing assurance that the required management action has been implemented after the mid-term budget adjustments, be submitted at next audit committee meeting;</p> <p>5. THAT it be noted that where findings have not been addressed satisfactory by management, the Municipal Manager must provide reasons as to why the deficiencies were not remedied, with details of consequence management action undertaken against those officials responsible for those deficiencies; and</p> <p>6. THAT the review of the Performance Management System — Alignment and Linkage be undertaken prior to the approval of the budget for the forthcoming financial year.</p> <p><b>IA117/05/2022</b> <b>RESOLVED</b></p> <p>1. THAT the report dated 12 October 2022 submitted by the Manager: Internal Audit and Risk Management regarding the progress report on annual audit plan 2022/23, be and is hereby received and noted;</p> <p>2. THAT it be noted that the departmental portfolio of evidence for the quarter 1 Performance Management System was due for review by the Performance Monitoring and Evaluation office at the date of this report.</p> <p>3. THAT it be noted that the Internal Audit report on the review of performance management system - quarter 1 portfolio of evidence, be</p>	
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	<p>submitted at the next Audit Committee meeting.</p> <p>4. THAT the Internal Audit unit was commended for the outstanding work and working in collaboration and providing direct assistance to the Auditor-General of South Africa (AGSA) with their audit on predetermine objectives. Furthermore, the committee recommended that the collaboration be an ongoing activity between Internal Audit and AGSA; and</p> <p>5. THAT it be noted that a progress report on the Annual Audit Plan must comprise of the number of hours utilized by Internal Audit in providing direct assistance to the AGSA in the next submission.</p>	
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<p>WEDNESDAY, 20 OCTOBER 2022, ORDINARY MEETING</p>	<p>INTERNAL AUDIT REPORT ON THE REVIEW OF TRAFFIC MANAGEMENT AND ADMINISTRATION (6/15/112/1) ("J"/OMM/IA 231072022)</p> <p>The report was considered.</p> <p><u>Salient points emanated from the report</u></p> <ul style="list-style-type: none"> <li>• The committee recommended that a progress/follow-up report on the review of Traffic Management and Administration be submitted at the next audit committee meeting.</li> <li>• The committee recommended that the Chief Financial Officer submit a report with regards to revenue derived from parking management at the next audit committee meeting.</li> <li>• The committee recommended that the Head of Department Public Safety and Technical Services be invited at the next audit committee meeting.</li> </ul> <p><b>7/10/2022</b></p> <p><b>RESOLVED</b></p> <ol style="list-style-type: none"> <li>1. THAT the report dated 17 October 2022, submitted by the Manager: Internal Audit and Risk Management regarding the review of Traffic Management and Administration, be and is hereby received and noted;</li> <li>2. THAT the findings raised in the report be addressed as per the management commitments in the action plan; and</li> <li>3. THAT a progress/follow-up report on the review of Traffic Management and Administration be submitted at the next audit committee meeting;</li> <li>4. THAT the Chief Financial Officer submit a report on revenue derived from parking</li> </ol>	<p>Yes</p>
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	<p>management at the next audit committee meeting; and</p> <p>5. THAT the Head of Department Public Safety and Technical Services, be invited at the next audit committee meeting.</p>	
<p>FRIDAY, 20 JANUARY 2023, ORDINARY MEETING</p>	<p>RISK MANAGEMENT PROGRESS REPORT FOR QUARTER 2 (9/1/2/1) ("J"/OMM/IA 264012023)</p> <p>The report was considered.</p> <p><b>IA106/01/2023 RESOLVED</b></p> <p>1 . THAT the report dated 11 January 2023, submitted by the Manager: Internal Audit and Risk Management, regarding the Risk Management progress report for Quarter two (2), be and is hereby received and noted;</p> <p>2. THAT it be noted that monitoring process of following-up on implementation of action plans/mitigation measures was done with management for all action plans that were due in Q2;</p> <p>3. THAT it be noted that a follow-up on the implementation of action plans will be ongoing as and when they are due; and</p> <p>4. THAT it be noted that the ICT risks were removed from the Operational Risk Register and are now on its own register.</p>	<p>Yes</p>
<p>FRIDAY, 20 JANUARY 2023, ORDINARY MEETING</p>	<p>1 INTERNAL AUDIT &amp; RISK MANAGEMENT REPORT ON THE RAY NKONYENI MUNICIPALITY EMPLOYEE VERIFICATION 2022 (268012023) ("J"/OMWIA 268012023)</p> <p>The report was considered.</p> <p><b>AI 07/01/2023 RESOLVED</b></p> <p>1 . THAT the report dated 13 January 2023, submitted by the Manager: Internal Audit and Risk Management regarding the 2022 Ray Nkonyeni Municipality employee verification, be and is hereby received and noted;</p> <p>2. THAT it be noted that employees were granted numerous opportunities to present</p>	<p>Yes</p>

	<p>themselves for verification at the Human Resources office after the extension period;</p> <p>3. THAT it be noted that as of November 2022, eight (8) employees remained unverified;</p> <p>4. THAT it be noted that the unverified employees remaining, be not paid until they present themselves for verification;</p> <p>5. THAT prior to the implementation of the aforementioned resolution, a proper consultation with the affected municipal council structures must be conducted; and</p> <p>6. THAT a follow-up report in regard to the action undertaken in light of the report, be submitted at the next special Audit Committee meeting.</p>	
FRIDAY, 20 JANUARY 2023, ORDINARY MEETING	<p>STATUS ON IMPLEMENTATION OF COMPLIANCE REGISTER - OCTOBER NOVEMBER 2022 (9/1/2/5) ("J"/OMM/IA 265012023)</p> <p>The report was considered wherein it was:</p> <p><b>IA108/01/2023 RESOLVED</b></p> <p>1 . THAT the report dated 11 January 2023, submitted by the Manager: Internal Audit and Risk Management, regarding the Compliance Register for July to October to November 2022, be and is hereby received and noted;</p> <p>2. THAT it be noted that the Compliance Register is monitored monthly by the Internal Audit and Risk Management Unit and reports are submitted to the Corporate Management Committee; and</p> <p>3. THAT it be noted that the municipality has complied with the laws and regulations as indicated in the registers attached to the report.</p>	Yes
FRIDAY, 20 JANUARY 2023, ORDINARY MEETING	<p>STATUS ON IMPLEMENTATION OF COMPLIANCE REGISTER – DECEMBER 2022 (9/1/2/5) ("J"/OMWIA 266012023)</p>	Yes



	<p>The report was considered wherein it was:</p> <p><b>IA109/01/2023 RESOLVED</b></p> <p>1 . THAT the report dated 16 January 2023, submitted by the Manager: Internal Audit and Risk Management, regarding the Compliance Register for December 2022, be and is hereby received and noted;</p> <p>2 THAT it be noted that the Compliance Register is monitored monthly by the Internal Audit and Risk Management Unit and reports are submitted to the Corporate Management Committee; and</p> <p>3 THAT it be noted that during the month of December 2022 the municipality did not comply with S65(e) of the MFMA whereby one invoice was paid in excess of 30 days (due to technical challenges).</p>	
<p>FRIDAY, 20 JANUARY 2023, ORDINARY MEETING</p>	<p>INTERNAL AUDIT FOLLOW-UP REPORT ON THE REVIEW OF TRAFFIC MANAGEMENT (6/15/1/2/1) ("J"/OMM/IA 269012023)</p> <p>The report was considered wherein it was:</p> <p><b>IA110/01/2023 RESOLVED</b></p> <p>1. THAT the report dated 13 January 2023, submitted by the Manager: Internal Audit and Risk Management, regarding the follow-up report on the review of Traffic Management, be and is hereby received and noted;</p> <p>2. THAT it be noted that the excel spreadsheets indicating collections from May 2021 — September 2022 by the user department was provided to Internal Audit;</p> <p>3. THAT it be noted that the user department was yet to provide a suitable date and time for the review, which entails inspecting the documents and system at the service provider's premises/storage (i.e., copies of receipts issued to users of the parking</p>	<p>Yes</p>

	<p>or log of receipts issued; reconciliations of parking revenue collected and bay occupancy time; proof of payments for deposits made by XTelekom (Pty) Ltd into RNM bank account; etc);</p> <p>4. THAT it be noted that the report was not finalized as the information was not forthcoming to complete the procedures for reporting to the Audit Committee;</p> <p>5. THAT official correspondence signed by the Accounting Officer, be submitted to the XTelekom (Pty) Ltd requesting the required information for internal audit purposes; and</p> <p>6. THAT a final report by the Internal Audit on the follow-up to Traffic Management, be submitted to the next Audit Committee ordinary meeting.</p>	
<p>FRIDAY, 20 JANUARY 2023, ORDINARY MEETING</p>	<p>TREASURY SECTION 52(D) &amp; 71(1) &amp; 72 REPORT AS OF 31 DECEMBER 2022 (CF04782022)</p> <p>The report was considered wherein it was:</p> <p><b>IA111/01/2023 RESOLVED</b></p> <p>1 . THAT the report dated 31 December 2022 submitted by the Chief Financial Officer regarding the Treasury Section 52 (D), 71 (1) and 72 report as of 31 December 2022, be and is hereby received and noted;</p> <p>2 THAT the Quarterly Budget Statement Section 52 (d) report for Q2, for the period ending 31 December 2022, be and is hereby received and noted;</p> <p>3 THAT the Monthly Budget Statement Section 71 (1) report for M04, for the period ending 31 October 2022, be and is hereby received and noted;</p>	<p>Yes</p>

	<p>4 THAT the Monthly Budget Statement Section 71 (1) report for M05, for the period ending 30 November 2022, be and is hereby received and noted; and</p> <p>5 THAT the Monthly Budget Statement Section 71 (1) report for M06, for the period ending 31 December 2022, be and is hereby received, and noted; and</p> <p>6 THAT the Section 72 Mid-year assessment report for the period ending 31 December 2022, be and is hereby received and noted;</p> <p>7 THAT the names of the different organs of state and the carrying amounts of the outstanding debt due to the municipality, be included in the Section 72 (d) report in future and further indicate the actions undertaken to recover outstanding debt from the organs of state as well as the commercial debtors; and</p> <p>8 THAT the committee advises management to draft a policy to assist in recognizing unallocated payment/deposits that meet the prescription criteria to recognize it as income once the legal criteria has been fulfilled, but, after consultation with the relevant legal consultant and Auditor General be taken to Council for approval.</p>	
<p>FRIDAY, 20 JANUARY 2023, ORDINARY MEETING</p>	<p>DEVIATIONS FROM THE SUPPLY CHAIN MANAGEMENT POLICY FOR OCTOBER - DECEMBER 2022 (8/1 (CF04752022))</p> <p>The report was considered wherein it was:</p> <p><b>AI 12/01/2023 RESOLVED</b></p> <p>1 . THAT the report dated 12 January 2022 submitted by the Chief Financial Officer regarding the Deviations from the Supply Chain Management Policy for October to December 2022, be and are received and noted;</p>	<p>Yes</p>

	<p>2. THAT the deviations for the month of October to December 2022 amounting to R 3 536 794.52 was noted;</p> <p>3. THAT it be noted that the Head of Departments ensure that deviations are minimized / eliminated;</p> <p>4. THAT deviation forms be completed to support reasons as per section 36(a) and (b) of the Municipal Finance Management Act (MFMA) 2003</p>	
FRIDAY, 20 JANUARY 2023, ORDINARY MEETING	<p>FRUITLESS WASTEFUL EXPENDITURE REGISTERS OCTOBER - DECEMBER 2022 (6/1/1) (CF04772022)</p> <p>The report was considered wherein it was:</p> <p><b>AI 13/01/2023 RESOLVED</b></p> <p>1 . THAT the report dated 12 January 2023 submitted by the Chief Financial Officer regarding Fruitless Wasteful Expenditure Registers for October to December 2022, be and is hereby received and noted;</p> <p>2. THAT it be noted that the Fruitless Wasteful Expenditure registers for October to December 2022 amounted to R 4,376.58 as follows: -  October: R 720.86,  November : R 503.87, and  December : R 3,151.85,</p> <p>3. THAT it be noted that where interest was charged because of late allocations, Ray Nkonyeni Municipality continuously engages with the relevant institutions (Ugu, ESKOM etc.) to reverse the interest; and</p> <p>4. THAT in future the report must comprise of the amount of previously reported Fruitless Wasteful Expenditure that have been reversed.</p>	Yes
FRIDAY, 20 JANUARY 2023, ORDINARY MEETING	<p>IRREGULAR EXPENDITURE FOR OCTOBER - DECEMBER 2022 (8/1/P) (CF04662022)</p> <p>The report was considered wherein it was:</p>	Yes

	<p><b>IA114/01/2023                      RESOLVED</b></p> <p>1. THAT the report dated 12 January 2023 submitted by the Chief Financial Officer regarding the irregular expenditure for October — November 2022, be and is hereby received and noted; and</p> <p>2. THAT it be noted that there was no irregular expenditure incurred for October— November 2022; and</p> <p>3. THAT the committee was pleased to note that there were no instances of Irregular Expenditure reported for the second quarter and maintains that management must continue on its current trajectory to prevent such expenditure from being incurred in the future.</p>	
FRIDAY, 20 JANUARY 2023, ORDINARY MEETING	<p>ASSET MANAGEMENT REPORT FOR DECEMBER 2022 (7/1/1) (CF04602022) The report was considered wherein it was: <b>15/0112023    RESOLVED</b></p> <p>THAT the report dated 10 January 2023 submitted by the Chief Financial Officer regarding the Asset Management report for December 2022, be and is hereby received and noted.</p>	Yes
FRIDAY, 20 JANUARY 2023, ORDINARY MEETING	<p>CONTRACT REGISTER AS AT DECEMBER 2022 (8/115) (CF00472022)</p> <p>The report was considered wherein it was.</p> <p><b>IA116/01/2023    RESOLVED</b></p> <p>1 . THAT the report dated 12 January 2023 submitted by the Chief Financial Officer regarding the Contract Register for November 2022, be and is hereby received and noted;</p> <p>2. THAT it be noted that Departments commence with procurement processes on contracts that expire within eight (08) months; and</p>	Yes

	<p>3. THAT it be noted that Departments submit the draft Service Level Agreement (SLA's), within two (02) weeks after the letter of appointment has been signed by the Municipal Manager to the Supply Chain Management Manager to be processed.</p> <p>4. THAT in future the report be completed with all the relevant information in relation to the progress updates with respect to the contracts expiring in eight months.</p>	
FRIDAY, 20 JANUARY 2023, ORDINARY MEETING	<p>PRESENTATION OF THE RAY NKONYENI MUNICIPALITY ACTION PLAN FOR MATTERS BY THE AUDITOR GENERAL FOR JUNE 2022 (8/1 /P) (CF00022023)</p> <p>The report was considered wherein it was:</p> <p><b>IA117/01/2023 RESOLVED</b></p> <p>1 . THAT the report dated 17 January 2023 submitted by the Chief Financial Officer regarding the presentation of the Ray Nkonyeni Municipality Action Plan for matters by the Auditor General for June 2022, be and is hereby received and noted;</p> <p>2.THAT the Management Action Plan report be submitted at the next Audit Committee meeting.</p>	Yes
FRIDAY, 20 JANUARY 2023, ORDINARY MEETING	<p>REPORT ON CONTINGENT LIABILITY REGISTER AS AT DECEMBER 2022 (9/1/2/5) (DCS12012023)</p> <p>The report was considered wherein it was:</p> <p><b>IA118/01/2023 RESOLVED</b></p> <p>THAT the report dated 12 January 2023, submitted by the Head of Department Corporate Services regarding the Contingent Liability Register as of December 2022, be and is hereby received and noted.</p>	Yes



	<ul style="list-style-type: none"> <li>- Review of Annual Performance Report 2021-2022 together with PMS Q4 2021-2022;</li> <li>- Review of Financial Statements 2021-2022; and</li> <li>- Performance Management System Review Q 1: including IDP &amp; SDBIP Alignment and Compliance.</li> </ul> <p>3. THAT it be noted that the following projects are in progress:</p> <ul style="list-style-type: none"> <li>- Supply Chain Management Audit: Fieldwork;</li> <li>- Performance Management System Review Q.2 2023: Planning;</li> <li>- Expenditure Management (Payables and Accruals): Planning; and</li> <li>Tariff Audit (Electricity Billing): Planning.</li> </ul> <p>4. THAT it be noted that the following projects are not yet due: -</p> <ul style="list-style-type: none"> <li>- Performance Management System Review Q.3;</li> <li>- Asset Management (Finance and Operating leases)</li> <li>- Investigation of Irregular, fruitless and Wasteful expenditure; and</li> <li>Review of Implementation of Management corrective action plan 2021-2022.</li> </ul> <p>5. THAT all outstanding Internal Audit Quarter two (2) reports, be presented at the next special Audit Committee meeting to be held in February 2023; and</p> <p>5. THAT the 2023 -2024 Draft Annual Internal Audit plan be shared with the Auditor General to obtain input and recommendation prior to it being submitted to the Audit Committee for approval.</p>	
<p>FRIDAY, 21 APRIL 2023, ORDINARY MEETING</p>	<p>RISK MANAGEMENT PROGRESS REPORT FOR QUARTER 3 (9/1/2/1) (“J”/OMM/IA 264012023)</p> <p>The report was considered.</p> <p><b>IA105/04/2023</b> <b>RESOLVED</b></p>	<p>Yes</p>



	<p>1. THAT the report dated 28 March 2023, submitted by the Manager: Internal Audit and Risk Management, regarding the Risk Management progress report for Quarter three (3), be and is hereby received and noted with concern in terms of the progress made in implementing the Action Plans in quarter three (3);</p> <p>2. THAT it be noted that monitoring process of following-up on implementation of action plans/mitigation measures was done with management for all action plans that were due in Q3;</p> <p>3. THAT it be noted that the continuous monitoring on implementation of risk mitigation measures, be conducted on continuous basis; and</p> <p>4. THAT management was advised to enhance its efforts towards implementation of the mitigation strategies on their agreed timeframes such that risks identified are brought to an acceptable level;</p> <p>5. THAT a column be inserted on the risk registers to document for those risks/action plans that were not implemented in that quarter and the reasons for not implementing;</p> <p>6. THAT the quarterly Risk Management report includes a summary of the reasons as to why the risk mitigation action plan have not been implemented within the respective quarter; and</p> <p>7. THAT the Internal Audit review the comments made by the management as documented in the quarterly report to ascertain whether if it is sound and relevant.</p>	
<p>FRIDAY, 21 APRIL 2023, ORDINARY MEETING</p>	<p>STATUS ON IMPLEMENTATION OF COMPLIANCE REGISTER – JANUARY &amp; FEBRUARY 2023 (9/1/2/5) (“J”/OMM/IA 277042023)</p> <p>The report was considered wherein it was:</p> <p><b>IA106/04/2023 RESOLVED</b></p>	<p>Yes</p>



<p>FRIDAY, 21 APRIL 2023, ORDINARY MEETING</p>	<p>UPDATE ON OATLANDS LANDFILL SITE (16/5/2/2) (DCOMS0252023)</p> <p>The report was considered wherein it was:</p> <p><b>IA108/04/2023</b> <b>RESOLVED</b></p> <p>1. THAT the report dated 20 April 2023, submitted by the Acting Head of Department Community Services, regarding the update on Oatlands Landfill Site, be and is hereby received and noted; and</p> <p>2. THAT it be noted that the airspace survey was conducted which warranted further landfilling of waste until 21 April 2023 and temporal cell has been completed;</p> <p>3. THAT the resolution register be updated to include that the issue of landfilled site has been finalized and dealt with by the Audit Committee based on the reassurance from management; and</p> <p>4. THAT the Internal Audit must verify if section 116 of the MFMA was complied with in respect of the appointment of the service provider involved.</p>	<p>Yes</p>
<p>FRIDAY, 21 APRIL 2023, ORDINARY MEETING</p>	<p>TREASURY SECTION 52(D) &amp; 71(1) &amp; 72 REPORT AS OF 31 MARCH 2023 (10/1/2/5) (CFO0952023)</p> <p>The report was considered wherein it was:</p> <p><b>IA109/04/2023</b> <b>RESOLVED</b></p> <p>1. THAT the report dated 31 March 2023 submitted by the Chief Financial Officer regarding the Treasury Section 52 (D), 71 (1) and 72 report as of 31 March 2023, be and is hereby received and noted;</p> <p>2. THAT the Quarterly Budget Statement Section 52 (d) report for Q3, for the period ending 31 March 2023, be and is hereby received and noted;</p>	<p>Yes</p>

	<p>3. THAT the Monthly Budget Statement Section 71 (1) report for M07, for the period ending 31 January 2023, be and is hereby received and noted;</p> <p>4. THAT the Monthly Budget Statement Section 71 (1) report for M08, for the period ending 28 February 2023, be and is hereby received and noted; and</p> <p>6. THAT the Monthly Budget Statement Section 71 (1) report for M09, for the period ending 31 March 2023, be and is hereby received, and noted.</p>	
<p>FRIDAY, 21 APRIL 2023, ORDINARY MEETING</p>	<p>DEVIATIONS FROM THE SUPPLY CHAIN MANAGEMENT POLICY FOR JANUARY – MARCH 2023 (8/1/P) (CFO0932023)</p> <p><b>IA110/04/2023 RESOLVED</b></p> <p>1. THAT the report dated 12 April 2023 submitted by the Chief Financial Officer regarding the Deviations from the Supply Chain Management Policy for January to March 2023, be and are received and noted;</p> <p>2. THAT the deviations for the month of January to March 2023 amounting to R 780 866.39 was noted;</p> <p>3. THAT it be noted that the Head of Departments ensure that deviations are minimized / eliminated;</p> <p>4. THAT deviation forms be completed to support reasons as per section 36(a) and (b) of the Municipal Finance Management Act (MFMA) 2003; and</p> <p>5. THAT all deviation forms be supported by the Chief Financial Officer or other delegated authority.</p>	<p>Yes</p>

<p>FRIDAY, 21 APRIL 2023, ORDINARY MEETING</p>	<p>FRUITLESS WASTEFUL EXPENDITURE REGISTERS – JANUARY – MARCH 2023 (6/1/1) (CFO0882023)</p> <p>The report was considered wherein it was:</p> <p><b>IA111/04/2023</b> <b>RESOLVED</b></p> <p>1. THAT the report dated 11 April 2023 submitted by the Chief Financial Officer regarding Fruitless Wasteful Expenditure Registers for January, February and March 2023, be and is hereby received and noted;</p> <p>2. THAT it be noted that the Fruitless Wasteful Expenditure registers for January, February and March 2023 amounted to R 1 844.06 as follows: January : R 441.65; February : R 1 401.71; and March : R 0.70.</p> <p>3.THAT it be noted that where interest was charged because of late allocations, Ray Nkonyeni Municipality continuously engages with the relevant institutions (Ugu, Eskom etc.) to reverse the interest.</p>	<p>Yes</p>
<p>FRIDAY, 21 APRIL 2023, ORDINARY MEETING</p>	<p>IRREGULAR EXPENDITURE FOR JANUARY – MARCH 2022 (8/1/P) (CFO0922023)</p> <p>The report was considered wherein it was:</p> <p><b>IA112/04/2023</b> <b>RESOLVED</b></p> <p>1. THAT the report dated 12 April 2023 submitted by the Chief Financial Officer regarding the irregular expenditure for January to March 2023 be and is hereby received and noted; and</p> <p>2.THAT it be noted that there was no irregular expenditure incurred for January to March 2023.</p>	<p>Yes</p>
<p>FRIDAY, 21 APRIL 2023, ORDINARY MEETING</p>	<p>ASSET MANAGEMENT REPORT FOR MARCH 2022 (7/1/1) (CFO4602022)</p> <p>The report was considered wherein it was:</p>	<p>Yes</p>

	<p><b>IA113/04/2023</b> <b>RESOLVED</b></p> <p>1. THAT the report dated 11 April 2023 submitted by the Chief Financial Officer regarding the Asset Management report for March 2023, be and is hereby received and noted.</p> <p>2.THAT the department was commended for the outstanding work.</p>	
<p>FRIDAY, 21 APRIL 2023, ORDINARY MEETING</p>	<p>CONTRACT REGISTER AS AT MARCH 2022 (8/1/5) (CFO0992023)</p> <p>The report was considered wherein it was:</p> <p><b>IA114/04/2023</b> <b>RESOLVED</b></p> <p>1. THAT the report dated 12 April 2023 submitted by the Chief Financial Officer regarding the Contract Register for March 2023, be and is hereby received and noted;</p> <p>2. THAT it be noted that Departments commence with procurement processes on contracts that expires within eight (08) months; and</p> <p>3.THAT it be noted that Departments submits the draft Service Level Agreement (SLA's), within two (02) weeks after the letter of appointment has been signed by the Municipal Manager to the Supply Chain Management Manager to be processed.</p>	Yes
<p>FRIDAY, 21 APRIL 2023, ORDINARY MEETING</p>	<p>REPORT ON CONTINGENT LIABILITY REGISTER AS AT MARCH 2022 (9/1/2/5) (DCS12042023)</p> <p>The report was considered wherein it was:</p> <p><b>IA115/04/2023</b> <b>RESOLVED</b></p> <p>THAT the report dated 12 April 2023, submitted by the Head of Department Corporate Services regarding the Contingent Liability Register as of March 2023, be and is hereby received and noted.</p>	Yes

## Appendix H: Long Term Contracts and Public Private Partnership

The Ray Nkonyeni Municipality has been in partnership with Njilo Consulting and Logistics (PTY) LTY for a period of 60 months from the year 2020.

## Appendix I: Service Provider Performance Schedule

The monitoring of the service provider performance is ensured through the signing of the Service Level Agreement (SLA). The contract management is done by SCM under Treasury Department. The contract management unit draft the SLA and they are vetted by Legal and Compliance unit which is stationed at Corporate Services Department. The contract register is tabled at the Corporate Management Committee Meetings. The services providers who fail to perform are reported to SCM and the necessary action is taken including the termination of the contract.

Assessment Key											
Good (G)		The service has been provided at acceptable standards and within the time frames stipulated in the SLA/Contract									
Satisfactory (S)		The service has been provided at acceptable standards and outside of the timeframes stipulated in the SLA/Contract									
Poor (P)		The service has been provided below acceptable standards									
Bid Number	Name of external Service Provider	Date Contract Awarded	Service provided in terms of the SLA	Value of project	Comparison with previous year		Current Financial Year		Assessment of Service Providers Performance		
					Target	Actual	Target	Actual	G	S	P
8/2/RNM0254	MFOMFO TRADING	29 <sup>th</sup> March 2021	Construction of Banana Beach Pedestrian Bridge	R3 392 627.92							P
8/2/RNM077	GILGAL DEVELOPMENT CONSULTING ENGINEERS	16 <sup>th</sup> April 2021	Upgrading of Louisiana Ring Road and Stormwater	R23 999 046.40						S	
8/2/RNM0317	SOUTHERN UNION TRADING JV BRIGHT IDEA PROJECTS 2044CC	01 <sup>st</sup> April 2022	Construction of Bar to Ingwemabala Pedestrian Bridge	R3 902746.38					G		
8/2/RNM0318	SOUTHERN UNION TRADING JV BRIGHT IDEA	08 <sup>th</sup> March 2022	Construction of Madala to Mdlungwana Vehicle Bridge	R5 775 585.20					G		





8/2/RNM0147	TOWER CITY TRADING 193cc	01/07/2022	NTSHOMELA BRIDGE AND ROAD	R 5 707 099.37						G	
8/2/RNM0129	RDC BUILDING AND PLUMBERS	16/03/2023	URBAN STORMWATER REHAB	R 1 227 050,00						G	
8/2/RNM0129	FS GONZALVES CONSTRUCTION	16/03/2023	URBAN STORMWATER REHAB	R 1 227 050,00						G	
8/2/RNM0129	THEMBAMINA TRADING AND PROJECTS	16/03/2023	URBAN STORMWATER REHAB	R 1 227 050,00						G	
8/2/RNM0129	DUNGAMZUK ULU TRADING ENTERPRISE	16/03/2023	URBAN STORMWATER REHAB	R 1 227 050,00						G	
8/2/RNM0129	AWUZIBUSE TRADING	16/03/2023	URBAN STORMWATER REHAB	R 1 227 050,00						G	
8/2/RNM0129	DUROSHA INVESTMENT	16/03/2023	URBAN STORMWATER REHAB	R 1 227 050,00						G	
8/2/RNM0129	ROYAL MEDIA HOUSE	16/03/2023	URBAN STORMWATER REHAB	R 1 227 050,00						G	
8/2/RNM0215	PORT SHEPSTONE IRRIGATION	8/05/2023	INSTALLATION OF WATER TANKS	R 102 400.00						G	
8/2/RNM0215	SELCON CONSTRUCTION	8/05/2023	INSTALLATION OF WATER TANKS	R 104 800.00						G	
8/2/RNM0215	DCN CONSTRUCTION	8/05/2023	INSTALLATION OF WATER TANKS	R 104 800.00							
8/2/RNM0166	Deltron Projects	29 April 2021	Design and construction monitoring	R466 666.00						G	
8/2/RNM0148	Veez Micro Enterprises	07 March 2023	Construction	R3,8million							P
8/2/RNM0166	Civ Tech Engineers	10 June 2022	Design and construction monitoring	R862 842,11							P
8/2/RNM0350	Intathakusa Projects	14 June 2023	Construction of Hibberdene Market Stalls	R2 916 925.55							P
8/2/RNM0351	Tributary of Success Projects	14 June 2023	Construction of St Michaels Market Stalls	R2 099 763.05						S	
8/2/RNM0311	Mchilobomvu Construction	8 March 2022	Construction of Ward 36 (Nkulu) Hall	R4 981 396.35						S	

8/2/RNM0306	Zibele Construction JV Abroad Success Pty (Ltd)	1 February 2022	Rehabilitation of Main Harding Road	R54 480 621.53										P
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Actions taken for poor performance by service providers:

- **8/2/RNM0327 - MKHWANE GROUP JV SOMKHANDA PLANT HIRE - MBENI SPORTS FIELD**

The Service Providers contract was terminated, and a new Service Provider was appointed on a turnkey basis.

- **8/2/RNM0166 - VUMESA ENGINEERS - MARGATE AIRPORT**

The Service provider to be issued with a letter of Warning.

- **8/2/RNM0254 - MFOMFO TRADING - CONSTRUCTION OF BANANA BEACH PEDESTRIAN BRIDGE**

Service provider to have better Financial Management.

- **8/2/RNM0148 - VEEZ MICRO ENTERPRISES – CONSTRUCTION - FAIRVIEW ELECTIFICATION**

An additional team was allocated by the Contractor.

- **8/2/RNM0166 - CIV TECH ENGINEERS - DESIGN AND CONSTRUCTION MONITORING - ELECTRIFICATION**

The Scope of Work was reduced to only design and a new Service Provider will be appointed for the Construction.

- **8/2/RNM0350 - INTATHAKUSA PROJECTS - CONSTRUCTION OF HIBBERDENE MARKET STALLS**

The client issued the contractor with notices of slow progress and notice to terminate. In response, the service provider withdrew from the contract as he could not complete the project.

- **8/2/RNM0306 – REHABILITATION OF MAIN HARDING ROAD**

The contractor has been terminated, and a new contractor appointed to finish the project.

## Appendix J: Disclosure of Financial Interest

The Municipality has in place a system that requires that councillors and officials' complete declaration of interest forms when they join the municipality, thereafter they are requested to ensure that they keep this information updated on an annual basis dependant on whether there are any changes to what the municipality has on record.

These forms are readily available and allows the municipality to monitor conflicts of interest that may arise during its operations. The municipality also maintains the declarations of interest as a standing item on all its meetings to allow councillors and officials to avoid conflict of interest on any matters arising from the meeting. The Municipal Manager supported by Council also issued a directive which forbids municipal officials from registering companies on the municipal database so as to avoid audit queries regarding trading with employees.

## Appendix K 1: Revenue Collection Performance by Vote

KZN216 Ray Nkonyeni - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by										
Vote Description R thousands	Ref	2021/22 Audited Outcome	Budget Year							
			Original Budget	Adjusted Budget	Monthly Actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>Revenue by Vote</b>	1									
Vote 1- Mayor and Council		234 071	260 646	260 646	–	257 607	260 646	(3 039)	-1.2%	260 646
Vote 2 - Finance and Administration		517 012	530 657	531591	(1090)	526 099	531591	(5 492)	-1.0%	531591
Vote 3 - Internal Audit		–	–	–	–	–	–	–	–	–
Vote 4 - Community		16 610	15 739	15 939	79	13 623	15 939	(2 317)	-14.5%	15 939
Vote 5 - Sport and Recreation		63	48	48	–	28	48	(20)	-41.7%	48
Vote 6 - Public Safety		30 879	24 971	32 081	5 604	25 279	32 081	(6 802)	-21.2%	32 081
Vote 7 - Housing		48 708	56 832	27 824	38	8 105	27 824	(19 720)	-70.9%	27 824
Vote 8 - Health		–	–	–	–	–	–	–	–	–
Vote 9 - Planning and Development		156 851	132 124	174 508	370	105 877	174 508	(68 631)	-39.3%	174 508
Vote 10 - Road Transport		12 204	10 941	33 241	1210	31297	33 241	(1943)	-5.8%	33 241
Vote 11 - Environment Protection		411	392	418	102	384	418	(34)	-8.1%	418
Vote 12 - Energy Sources		162 773	189 193	177 279	13 432	159 639	177 279	(17 641)	-10.0%	177 279
Vote 13 - Other		1 166	4 228	883	41	565	883	(319)	-36.1%	883
Vote 14 - Waste Water Management		–	–	–	–	–	–	–	–	–
Vote 15 - Waste Management		68 081	81218	78 556	391	72 224	78 556	(6 332)	-8.1%	78 556
<b>Total Revenue by Vote</b>	2	<b>1 248 830</b>	<b>1 306 988</b>	<b>1 333 015</b>	<b>20 177</b>	<b>1 200 725</b>	<b>1 333 015</b>	<b>(132 289)</b>	<b>-9.9%</b>	<b>1 333 015</b>

## Appendix K 2: Revenue Collection Performance by Source

KZN216 Ray Nkonyeni - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M12 June										
Description R thousands	Ref 1	2021/22			Budget Year 2022/23					
		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>Revenue - Functional</b>		<b>751 083</b>	<b>791 303</b>	<b>792 237</b>	<b>(1 090)</b>	<b>783 706</b>	<b>792 237</b>	<b>(8 531)</b>	<b>-1%</b>	<b>792 237</b>
<b>Governance and administration</b>										
Executive and council Finance and administration Internal audit		234 071	260 646	260 646	-	257 607	260 646	(3 039)	-1%	260 646
<b>Community and public safety</b> Community and social services Sport and recreation		517 012	530 657	531 591	(1 090)	526 099	531 591	(5 492)	-1%	531 591
Public safety Housing Health		-	-	-	-	-	-	-	-	-
<b>Economic and environmental services</b>		<b>65 467</b>	<b>72 795</b>	<b>43 988</b>	<b>134</b>	<b>21 904</b>	<b>43 988</b>	<b>(22 083)</b>	<b>-50%</b>	<b>43 988</b>
Planning and development Road transport Environmental protection		16 610	15 739	15 939	79	13 623	15 939	(2 317)	-15%	15 939
<b>Trading services</b> Energy sources Water management Waste water management Waste management		86	176	176	17	149	176	(27)	-15%	176
<b>Other</b>		48 708	56 832	27 824	38	8 105	27 824	(19 720)	-71%	27 824
		-	-	-	-	-	-	-	-	-
		<b>200 259</b>	<b>168 251</b>	<b>240 071</b>	<b>7 269</b>	<b>162 688</b>	<b>240 071</b>	<b>(77 383)</b>	<b>-32%</b>	<b>240 071</b>
		156 851	132 124	174 508	370	105 877	174 508	(68 631)	-39%	174 508
		42 998	35 735	65 145	6 797	56 427	65 145	(8 718)	-13%	65 145
		411	392	418	102	384	418	(34)	-8%	418
		<b>230 855</b>	<b>270 411</b>	<b>255 835</b>	<b>13 823</b>	<b>231 862</b>	<b>255 835</b>	<b>(23 973)</b>	<b>-9%</b>	<b>255 835</b>
		162 773	189 193	177 279	13 432	159 639	177 279	(17 641)	-10%	177 279
		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
		68 081	81 218	78 556	391	72 224	78 556	(6 332)	-8%	78 556
	4	<b>1 166</b>	<b>4 228</b>	<b>883</b>	<b>41</b>	<b>565</b>	<b>883</b>	<b>(319)</b>	<b>-36%</b>	<b>883</b>
<b>Total Revenue - Functional</b>	2	<b>1 248 830</b>	<b>1 306 988</b>	<b>1 333 015</b>	<b>20 177</b>	<b>1 200 725</b>	<b>1 333 015</b>	<b>(132 289)</b>	<b>-10%</b>	<b>1 333 015</b>

## Appendix L: Conditional Grants (Excluding MIG)

Conditional Grants: excluding MIG							R' 000
Details	Budget	Adjustments Budget	Actual	Variance		Major conditions applied by donor (continue below if necessary)	
				Budget	Adjustments Budget		
<b>National Government:</b>	<b>76 262</b>	<b>90 458</b>	<b>75 873</b>				
Integrated Urban Development Grant	65 313	64 509	64 509	-1%	0%		
Neighbourhood Development Partnership Grant	5 000	20 000	5 415	8%	-269%		
Expanded Public Works Programme Integrated Grant	3 949	3 949	3 949	0%	0%		

Local Government Financial Management Grant	2 000	2 000	2 000	0%	0%
<i>* This includes Neighbourhood Development Partnership Grant, Public Transport Infrastructure and Systems Grant and any other grant excluding Municipal Infrastructure Grant (MIG) which is dealt with in the main report, see T 5.8.3. Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual. Obtain a list of grants from national and provincial government.</i>					
T L					

## Appendix M: Capital Expenditure – New & Upgrade/ Renewal Programmes: Including MIG

### Appendix M 1: Capital Expenditure – New Assets Programme

This Appendix relates to all capital expenditure relating to the new asset programme, showing the actual of the prior year, the adjusted budget and actual expenditure in the current year.

New Assets Programme	Actual Expenditure 2022/2023	Budget 2023/2024	Expenditure 2023/2024	Remaining Budget 2023/2024	(-) Adjustment	(+) Adjustment	Adjusted budget 2023/2024
WARD 12 PEDESTRIAN BRIDGE (OVER SUGAR MILL ROAD)	R5 413 051,24	R127 298,95	R127 298,95	R0,00			R127 298,95
NKANGENI VEHICULAR BRIDGE WARD 25	R2 655 019,67	R2 000 000,00	R298 456,47	R1 701 543,53		R2 000 000,00	R4 000 000,00
DUMEZULU COMMUNITY HALL Phase 2	R4 096 076,29	R1 500 000,00	R1 428 327,90	R71 672,10	-R71 672,10		R1 428 327,90
Ward 36 Nkulu community hall	R4 869 591,17	R339 079,35	R259 079,35	R80 000,00	-R80 000,00		R259 079,35
SPORTSFIELD MBENI (WARD 31)	R2 059 227,00	R8 745 000,00	R8 742 719,18	R2 280,82		R997 000,00	R9 742 000,00
Nkulu Community Hall Ward 25	R2 655 019,67	R4 665 017,40	R4 546 464,34	R118 553,06			R4 665 017,40

INSTALLATION OF NEW STREET LIGHTS	R1 800 055, 46	R1 000 000,00	R56 816,59	R943 183,41		R1 300 000,0 0	R2 300 000,00
MAZUBANE PEDESTRIAN BRIDGE (WARD 21)	R1 914 233, 98	R2 500 000,00	R277 325,52	R2 222 674,48	-R1 500 000,0 0		R1 000 000,00
<b>Totals</b>	<b>R23 403 047, 48</b>	<b>R20 876 395,70</b>	<b>R15 736 488,30</b>	<b>R5 139 907,40</b>			<b>R23 521 723,60</b>

## Appendix M 2: Capital Expenditure – Upgrade/Renewal Programme

This Appendix relates to all capital expenditure relating to upgrade/renewal programme, showing the actual of the prior year, the adjusted budget and actual expenditure in the current year.

Upgrades/Renewal Programme	Expenditure 2022/2023	Budget 2023/2024	Expenditure 2023/2024	Remaining Budget	(-)	(+)	Adjusted budget 2023/2024
REHABILITATION OF COLLEGE ROAD SOUTHBROOM WARD 2	R2 808 717,03	R6 811 404,0 0	R6 801 603,4 4	R9 800,5 800,5 6	-R9 800,5 6		R6 801 603,44
ROADS RESEALS	R2 132 761,84	R500 000,0 0	R474 891,4 5	R25 108,5 5		R5 000 000,00	R5 500 000,00
ROADS URBAN STORMWATER IUDG	R4 010 847,96	R10 000 000,0 0	R8 533 905,5 0	R1 466 094,5 0		R1 000 000,00	R11 000 000,00
UPGRADE OF MAIN HARDING ROAD	R41 591 293,77	R16 521 740,0 0	R16 739 406,5 9	-R217 666,5 9		R9 385 307,83	R25 907 047,83
RURAL ROADS REHABILITATION	R 7 826 088,00	R10 000 000,0 0	R8 533 905,5 0	R1 466 094,5 0		R1 000 000,00	R11 000 000,00
<b>TOTALS</b>	<b>R58 369 708,60</b>	<b>R43 833 144,0 0</b>	<b>R41 083 712,4 8</b>	<b>R2 749 431,5 2</b>			<b>R60 208 651,27</b>

## Appendix N: Capital Programme by Project current year

This Appendix relates to all capital projects in the current financial year, indicating the adjusted budget, actual in the current year and the variance between the two.

### Integrated Urban Development Grant (IUDG)

Segment Description	Total Original Budget	Total Actual Spent	Remaining Budget	(-) Adjustment	(+) Adjustment	Total Adjusted Budget
Treasury Offices Development	R500 000,00	R0,00	R500 000,00			
WARD 12 PEDESTRIAN BRIDGE (OVER SUGAR MILL ROAD)	R127 298,95	R127 298,95	R0,00			R127 298,95
REHABILITATION OF COLLEGE ROAD SOUTHBROOM WARD 2	R6 811 404,00	R6 801 603,44	R9 800,56	-R9 800,56		R6 801 603,44
PEDESTRIAN BRIDGE EXTENSION 3 WARD 6	R3 000 000,00	R0,00	R3 000 000,00	-R300 000,00		R2 700 000,00
LONJANI TO KHUMBUZA ROAD	R4 000 000,00	R184 808,10	R3 815 191,90		R431 672,10	R4 431 672,10
MADALA TO MDLUNGWANA VEHICULAR BRIDGE WARD 24	R80 000,00	R0,00	R80 000,00	-R80 000,00		R0,00
NKANGENI VEHICULAR BRIDGE WARD 25	R2 000 000,00	R298 456,47	R1 701 543,53		R2 000 000,00	R4 000 000,00
Bomvini School Road	R1 200 000,00	R322 163,76	R877 836,24	-R200 000,00		R1 000 000,00
Nkanyezini Road	R1 000 000,00	R673 149,85	R326 850,15			R1 000 000,00
Mandla Mzelemu Road	R2 150 000,00	R1 556 794,62	R593 205,38	-R100 000,00		R2 050 000,00
Corner House Ring Road	R1 250 000,00	R843 160,00	R406 840,00			R1 250 000,00
Bhayiya Vehicular Bridge	R1 250 000,00	R739 656,69	R510 343,31			R1 250 000,00
Nhlangeni Vehicular Bridge	R1 250 000,00	R1 180 021,00	R69 979,00		R300 000,00	R1 550 000,00
DUMEZULU COMMUNITY HALL Phase 2	R1 500 000,00	R1 428 327,90	R71 672,10	-R71 672,10		R1 428 327,90
Outdoor Facilities: Tatane Sportfield	R4 000 000,00	R253 494,34	R3 746 505,66	-R2 500 000,00		R1 500 000,00

	R1 500 000,00	R61 175,63	R1 438 824,37	-R1 000 000,00		R500 000,00
ZG Hall Roof Repairs						
Community Park in Ward 5	R2 000 000,00	R838 428,26	R1 161 571,74		R800 000,00	R2 800 000,00
Ward 36 Nkulu community hall	R339 079,35	R259 079,35	R80 000,00	-R80 000,00		R259 079,35
SPORTSFIELD MBENI (WARD 31)	R8 745 000,00	R8 742 719,18	R2 280,82		R997 000,00	R9 742 000,00
MARGATE HALL RECONSTRUCTION WARD 2	R4 750 000,00	R223 125,00	R4 526 875,00	-R4 000 000,00		R750 000,00
Nkulu Community Hall Ward 25	R4 665 017,40	R4 546 464,34	R118 553,06			R4 665 017,40
INSTALLATION OF NEW STREET LIGHTS	R1 000 000,00	R56 816,59	R943 183,41		R1 300 000,00	R2 300 000,00
Outdoor Facilities:OUTDOOR GYM FACILITIES	R155 000,00	R0,00	R155 000,00	-R155 000,00		R0,00
MAZUBANE/DIKWE PEDESTRIAN BRIDGE WARD 20	R3 000 000,00	R519 634,25	R2 480 365,75			R3 000 000,00
NGQUMBELA ROAD AND CAUSEWAY WARD 7	R286 086,96	R286 086,96	R0,00			R286 086,96
MAZUBANE PEDESTRIAN BRIDGE (WARD 21)	R2 500 000,00	R277 325,52	R2 222 674,48	-R1 500 000,00		R1 000 000,00
MVUZANE ROAD AND VEHICULAR BRIDGE WARD 14	R2 141 113,34	R210 021,71	R1 931 091,63	-R1 000 000,00		R1 141 113,34
ROADS RESEALS	R500 000,00	R474 891,45	R25 108,55		R5 000 000,00	R5 500 000,00
Road Regravelling and Concrete Section Ward 34	R1 500 000,00	R0,00	R1 500 000,00		R1 000 000,00	R2 500 000,00
Esihlayeni Road in Ward 1	R300 000,00	R0,00	R300 000,00	-R300 000,00		R0,00
Chief Road In Ward 4	R300 000,00	R0,00	R300 000,00			R300 000,00
Mhlambunzima Hall Renovation	R159 130,00	R0,00	R159 130,00			R159 130,00
Qhinqa Sportsfields Renovations	R500 000,00	R0,00	R500 000,00	-R100 000,00		R400 000,00
Nkandla Bridge	R300 000,00	R0,00	R300 000,00			R300 000,00
Repairs to Mbhele Pedestrian Bridge	R3 000 000,00	R54 177,46	R2 945 822,54	-R2 000 000,00		R1 000 000,00



ROADS URBAN	R10 000	R8 533	R1 466		R1 000	R11 000
STORMWATER IUDG	000,00	905,50	094,50		000,00	000,00
Repairs to Nositha Pedestrian Bridge Ward 27					R300 000,00	R300 000,00
Mbhayimbayi Main Road Upgrade Ward 21					R267 800,56	R267 800,56
<b>TOTALS</b>	<b>R77 259 130,00</b>	<b>R39 492 786,32</b>	<b>R37 766 343,68</b>			<b>R77 259 130,00</b>
			<b>Expenditure (%)</b>		<b>51% (End December 2023)</b>	

**Neighbourhood Development Partnership Grant (NDPG)**

Segment Description	Total Original Budget	Total Actual Spent	Remaining Budget	(-) Adjustment	(+) Adjustment	Total Adjustment Budget
UPGRADE OF MAIN HARDING ROAD	R16 521 740,00	R16 739 406,59	-R217 666,59		R9 385 307,83	R25 907 047,83
<b>TOTALS</b>	<b>R16 521 740,00</b>	<b>R16 739 406,59</b>	<b>-R217 666,59</b>	<b>R0,00</b>	<b>R9 385 307,83</b>	<b>R25 907 047,83</b>
			<b>Expenditure (%)</b>		<b>103% (End December 2023)</b>	

**Small Towns Rejuvenation Grant**

Segment Description	Total Original Budget	Total Actual Spent	Remaining Budget	(-) Adjustment	(+) Adjustment	Total Adjustment Budget
Izingolweni Market Stalls	R0,00	R0,00	R0,00		155 847,00	155 847,00
Hibberdene Market Stalls	R0,00	R0,00	R0,00		1 976 601,00	1 976 601,00
<b>TOTALS</b>	<b>R0,00</b>	<b>R0,00</b>	<b>R0,00</b>		<b>2 132 448,00</b>	<b>2 132 448,00</b>
			<b>Expenditure (%)</b>		<b>0% (End December 2023)</b>	

### INEP Grant

Segment Description	Total Original Budget	Total Actual Spent	Remaining Budget	(-) Adjustment	(+) Adjustment	Total Adjusted Budget
Fairview Electrification ward13		R0,00	R0,00		R327 000,00	R327 000,00
<b>TOTALS</b>	<b>R0,00</b>	<b>R0,00</b>	<b>R0,00</b>		<b>R327 000,00</b>	<b>R327 000,00</b>
			Expenditure (%)	0% (End December 2023)		

**Note:** Small Town Rejuvenation Grant and INEP Grant were only approved as roll-over funds and have not yet been spent.

### Municipal Funded Projects

Segment Description	Total Original Budget	Total Actual Spent	Remaining Budget	(-) Adjustment	(+) Adjustment	Total Adjusted Budget
Treasury Offices Development	R500 000,00	R0,00	R500 000,00	-R500 000,00		R0,00
ROADS URBAN STORMWATER	R2 080 038,56	R297 000,00	R1 783 038,56			R2 080 038,56
RATIONALISATION OF OFFICE SPACE (PORT SHEPSTONE - OLD LIBRAR	R450 000,00	R0,00	R450 000,00	-R450 000,00		R0,00
RATIONALISATION OF OFFICE SPACE (WELLNESS CENTRE)	R2 000 000,00	R15 990,70	R1 984 009,30	-R1 000 000,00		R1 000 000,00
PORT SHEPSTONE CIVIC CENTRE UPGRADE IN WARD 18	R1 000 000,00	R950 261,28	R49 738,72	-R28 561,25		R971 438,75
MLB OFFICES IN WARD 17	R400 000,00	R0,00	R400 000,00	-R300 000,00		R100 000,00
MUNICIPAL VEHICLE POUND IN WARD 17	R850 000,00	R0,00	R850 000,00			R850 000,00
WATER TANKS	R450 000,00	R0,00	R450 000,00	-R450 000,00		R0,00
Main Harding Road - Internally Funded	R3 769 961,44	R3 748 783,96	R21 177,48	-R21 177,48		R3 748 783,96

					R2 049 738,7 3	
Oatlands Landfill Site	R8 000 000,00	R6 151 747,85	R1 848 252,15			R10 049 738,73
STAFF DEPOT ABLUTION FACILITIES - PHASE 3	R1 500 000,00	R165 496,28	R1 334 503,72	-R300 000,0 0		R1 200 000,00
Izingolweni Hall Renovations					R1 000 000,0 0	R1 000 000,00
Main Harding Road Retention Forfeit					R3 419 961,4 4	R3 419 961,44
<b>TOTALS</b>	<b>R21 000 000,00</b>	<b>R11 329 280,07</b>	<b>R9 670 719,93</b>	<b>-R3 049 738,7 3</b>	<b>R6 469 700,1 7</b>	<b>R24 419 961,44</b>
			<b>Expend iture (%)</b>		<b>54% (End December 2023)</b>	

Appendix O: Capital Programme by Ward

Capital Programme												
R												
Capital Project	Ward(s) affected	Works completed (Yes/No/In Progress)	Date of completion	Number of completed units	Appointed Service Provider/Contractor	Work completed: Level Good/Satisfactory/Not satisfactory	If not satisfactory please explain steps taken to improve performance	Number of Jobs created for Local Community	Source of Funding	Original Budget	Adjusted Budget	Actual Value of work completed
<b>CLUSTER 1</b>												
NTSHOMELA BRIDGE AND ROAD	32	No	N/A	0	Towercity Trading 193 CC	N/A	Project on tender award stage	0	IUDG	R2,000,000.00	R499,494.00	R0.00
NKULU COMMUNITY HALL IN WARD 36	36	No	N/A	0	Mchilobomvu Civils CC	N/A	Project on tender award stage	0	IUDG	R3,000,000.00	R140,692.00	R0.00
MBENI STORTFIELD	31	No	N/a	0	Mkhwane Group jv Somkhane Plant Hire	N/A	Project on tender award stage	0	IUDG	R1,000,000.00	R870,769.00	R0.00
ESIDLIDLINI BRIDGE	31	Yes	Oct-22	1	Sphithi Trading jv Ingadlangadla Civils Project	Satisfactory		7	IUDG	R3,000,000.00	R3,997,001.00	R4,533,220.90
<b>CLUSTER 2</b>												
DUMEZULU COMMUNITY HALL	8	No	N/A	0	ZKS and Nam General Trading	N/A	Project on tender award stage	0	IUDG	R4,000,000.00	R0.00	R0.00
NGQUMBELA ACCESS ROAD AND CAUSEWAY	7	No	N/A	0	Eyethu Projects Plant and Hire	N/A	Project on tender award stage	0	IUDG	R2,000,000.00	R116,915.00	R0.00
MBECUKA VEHICULAR BRIDGE	29	Yes	Jun-22	1	Zingezethu Trading and Projects	Satisfactory		6	IUDG	R1,725,000.00	R3,483,065.00	R5,031,435.22
<b>CLUSTER 3</b>												
ST MICHAEL MARKET STALLS	19	No	N/A	0	Tributary of Success Projects	N/A	Project on tender award stage	0	Market Stalls	R0.00	R3,000,000.00	R0.00

Mcadodo to Thundeza Pedestrian Bridge	11	Yes	Oct-22	1	Zingezethu Trading and Projects	Satisfactory		7	IUDG	R2,000,000	R3,688,501.00	R3,324,900.13
REHABILITATION OF MARGATE AIRPORT	6	Yes	Mar-22	1	Vumesa (PTY) LTD	Satisfactory			Margate Airport	R3,450,000.00	R3,450,000.00	R11,497,474.66
NCUKENI CONCRETE ROAD WARD 1	1	Yes	Nov-22	500m	Rwayiza Building Suppliers	Satisfactory		5	IUDG	R1,000,000.00	R1,156,256.00	R1,156,276.24
CONCRETING OF MKANTI ROAD WARD 10 (PHASE 2)	10	Yes	Sep-22	400M	Ithwini Plant Hire	Satisfactory		6	IUDG	R1,000,000.00	R1,326,020.00	R1,326,019.92
<b>CLUSTER 4</b>												
IZOTSHA MEMORIAL PARK CREMATORIUM		on hold	N/A	0	PGA Consulting	Satisfactory			Housing Grant	R0.00	R0.00	7,000,000.00
NKULU COMMUNITY HALL IN WARD 25	25	No	N/A	0	Manyobo Group jv Lungaphi (PTY) LTD	N/A	Project on tender award stage	0	IUDG	R1,000,000.00	R867,504.00	0.00
Chibini Concrete Road	26	Yes	Mar-22	1	Gasela Plant Hire	Satisfactory		14	IUDG	R2,500,000.00	R4,651,748.00	5,874,249.06
MLONGWANA COMBO COURT REFURBISHMENT	5	Yes	Jun-22	1	Vezokunco no jv ZHJ Holdings	Satisfactory			IUDG	R330,000.00	R837,198.00	739,220.00
MSIKABA VEHICULAR BRIDGE	25	Yes	May-22	1	Sphithi Trading jv Mzansi Women	Satisfactory		8	IUDG	R2,500,000.00	R3,934,430.00	6,963,267.47
BHAMBAYI CONCRETE ROAD WARD 27	27	Yes	Nov-22	400	RDC Building and Plumbers	Satisfactory		6	IUDG	R1,000,000.00	R1,151,315.00	1,151,314.86
<b>CLUSTER 5</b>												
MADALA TO MDLUNGWANA BRIDGE	24	No	N/A	0	Southern Union Trading jv Bright Idea Projects 2044 cc	N/A	Project on tender award stage	0	IUDG	R2,500,000.00	R871,589.00	0.00
BAR TO INGWEMABALA PEDESTRIAN BRIDGE	24	No	N/A	0	Southern Union Trading jv Bright Idea Projects 2044 cc	N/A	Project on tender award stage	0	IUDG	R2,000,000.00	R117,453.00	0.00
MAZUBANE VEHICULAR BRIDGE	21	No	N/A	0	Wevin Projects (PTY) LTD jv Sphithi Trading	N/A	Project on tender award stage	0	IUDG	R500,000.00	R96,361.00	0.00

MBILI PEDESTRIAN BRIDGE	22	Yes	Apr-22	1	Lemalwa Trading (PTY) LTD	Satisfactory		9	IUDG	R2,000,000	R3,635,922.00	3,487,473.25
KWASITHOLE BRIDGE AND ACCESS ROAD	21	Yes	Jun-22	1	Latifah Trading jv Makheleni Construction	Satisfactory		26	IUDG	R3,000,000	R6,034,327.00	6,480,580.74
<b>CLUSTER 6</b>												
MAZUBANE / DIKWE PEDESTRIAN BRIDGE	20	No	N/A	0	Appileh Nandie Trading jv Maduludi	N/A	Project on tender award stage	0	IUDG	R500,000.00	R0.00	R0.00
REHABILITATION OF NELSON MANDELA DRIVE	17	In Progress	Nov-22	0	Bright Idea Projects t/a Margate Construction	Satisfactory		24	NDPG	R40,000,000.00	R25,955,404.00	21,700,999.50
REHABILITATION OF MAIN HARDING ROAD	17	In Progress	Jan-23	0	Zibele Construction jv Abroad Success	Satisfactory		23	NDPG	R10,000,000.00	R25,955,404.00	R16,280,836.35
Vusushaba Sportfield	4	Yes	Aug-22	1	Gasela Plant Hire	Satisfactory		10	IUDG	R2,000,000.00	R2,304,710.00	R5,984,068.79
Nqwane Pedestrian Bridge	20	Yes	Mar-23	1	Appileh Nandie Trading jv Maduludi	Satisfactory		11	IUDG	R1,500,000.00	R2,593,844.00	R2,448,202.48
<b>CLUSTER 7</b>												
BANANA BEACH PEDESTRIAN BRIDGE	16	In Progress	Jun-23	0	Mfomfo Trading Enterprises	Good		15	IUDG	R3,000,000.00	R3,392,628.00	R3,311,777.20
MVUZANE BRIDGE AND ROADS	14	In Progress	May-23	0	Imbewu Yezwe Projects	Not Satisfactory	Contractor under termination	15	IUDG	R4,000,000.00	R5,704,058.00	R3,619,981.91
UPGRADE OF LOUISIANA RING ROAD AND STORMWATER	15	In Progress	Aug-23	0	Gilgal Development Consulting	Good		19	IUDG	R7,500,000.00	R11,500,000.00	R16,028,720.04
SUGERMILL ROAD PEDESTRIAN BRIDGE	12	No	N/A	0	Mthwane Projects (PTY) LTD	N/A	Project on tender award stage	0	IUDG	R2,000,000.00	R603,430.00	R0.00
HIBBERDEN MARKET STALLS		No	N/A	0	Intathakusa Projects 11/07	N/A	Project on tender award stage	0	Market Stalls	R0.00	R4,000,000.00	R0.00
<b>MUNICIPAL WIDE PROJECTS</b>												
MARBURG MOTOR MECHANICAL WORKSHOP	17	Yes	Mar-23	1	ZSZ Projects jv	Satisfactory		24	GBS Grant	R11,668,206.00	R11,668,206.00	R19,133,449.78

					High Point Trading							
URBAN STORMWATER (INTERNALLY FUNDED)	Various	Yes	Jun-23	139m	Different Service Providers	Satisfactory		7	Internal	R3,500,000.00	R3,850,002.00	R6,500,925.39
RURAL STORMWATER (IUDG FUNDED)	Various	Yes	Jun-23	250M	Different Service Providers	Satisfactory		6	IUDG	R2,000,000.00	R1,919,280.00	R1,861,852.62
INFILLS IN VARIOUS WARDS (Ward 20, 21 & 22)	Various	Yes	Jun-22	341	Different Service Providers	Satisfactory		10	INEP	R9,600,000.00	R8,040,000.00	R6,890,370.84
COGTA ELECTRIFICATION	Various	In Progress	N/A	0	BTMN Engineers	Good		8	COGTA Electrification	R6,000,000.00	R6,000,000.00	R5,215,189.39
INSTALLATION OF OUTDOOR GYM AND EQUIPMENT	Various	Yes	Jun-22	1	Thembamina Trading	Satisfactory		5	IUDG	R500,000.00	R588,985.00	R607,197.70
ROAD RESEALS	Various	Yes	Jun-22	7	Different Service Providers	Satisfactory		6	IUDG	R4,500,000.00	R5,089,783.00	R9,823,387.40
INSTALLATION OF WATER TANKS WITHIN RNM	Various	Yes	Jun-22	18	Different Service Providers	Satisfactory		15	Internal	R2,500,000.00	R2,000,000.00	R2,119,852.50

#### Appendix P: Service Connection Backlogs at schools and clinics

There is currently no updated report on the outcomes for 2022-2023 available for inclusion in the annual report.

#### Appendix Q: Service backlogs experienced by community

There is currently no updated report on the outcomes for 2022-2023 available for inclusion in the annual report.

## Appendix R: Loans & grants granted by the municipality

The municipality has a grant in aid programme where it provides assistance to NGOs and individuals requiring assistance, there is an application process, and a committee awards the grants after assessing the applications.

ProjectLongDesc	TotalBudget	TotalActual
Operational:Typical Work Streams:Community Development:Youth Projects:Youth Development:Youth Training	R 400 000.00	R 400 000.00
Operational:Typical Work Streams:Community Development:Youth Projects:Youth Development:Youth Training	R 200 004.00	R 193 450.00
Operational:Typical Work Streams:Community Development:Youth Projects:Youth Development:YOUTH SUMMIT	R 450 000.00	R 424 791.30
Operational:Typical Work Streams:Community Development:Youth Projects:Youth Development:Youth Month Activities	R 300 000.00	R 296 900.00
Operational:Typical Work Streams:Community Development:Youth Projects:Youth Development:Youth Entrepreneurship Funding	R 1 459 996.00	R 1 456 914.31
Operational:Typical Work Streams:Community Development:Youth Projects:Youth Development:YOUTH EMPOWERMENT	R 350 000.00	R 349 809.60
Operational:Typical Work Streams:Community Development:Youth Projects:Youth Development:YOUTH EMPOWERMENT	R 200 004.00	R 197 196.00
Operational:Typical Work Streams:Community Development:Youth Projects:Youth Development:Matric Excellence Awards	R 99 996.00	R 90 664.00
Operational:Typical Work Streams:Community Development:Youth Projects:Youth Development:Career Exposure	R 150 000.00	R 84 050.87
Operational:Typical Work Streams:Community Development:Youth Projects:Youth Development:Career Exposure	R 99 996.00	R 93 514.00
Operational:Typical Work Streams:Community Development:Gender Development:WOMEN EMPOWERMENT	R 49 996.00	R 45 168.00
Operational:Typical Work Streams:Community Development:Gender Development:WOMEN EMPOWERMENT	R 400 104.00	R 399 621.40
Operational:Typical Work Streams:Community Development:Entrepreneurial Support System:Poverty Alleviation Projects	R 599 996.00	R 592 638.61
Operational:Typical Work Streams:Community Development:Elderly:SENIOR CITIZEN	R 70 000.00	R 49 830.00
Operational:Typical Work Streams:Community Development:Disability:DISABILITY EMPOWERMENT	R 100 000.00	R 94 262.00
Operational:Typical Work Streams:Community Development:Community Initiatives:Sports Day	R 2 516 136.00	R 2 515 312.19
Operational:Typical Work Streams:Community Development:Child Programmes:CHILDRENS RIGHT	R 300 000.00	R 299 036.28
Operational:Typical Work Streams:Community Development:Child Programmes:CHILDRENS RIGHT	R 40 000.00	R -
Operational:Typical Work Streams:Communication and Public Participation:Public Participation Meeting:Public Participation	R 800 000.00	R 806 299.20
Operational:Typical Work Streams:Ward Committees:Ward Initiatives:Back To School-Uniforms	R 450 000.00	R 418 338.34
Operational:Typical Work Streams:Ward Committees:Ward Initiatives:Uvukile Gospel Concert	R 250 000.00	R 250 000.00
Operational:Typical Work Streams:Ward Committees:Ward Initiatives:Special Functions	R 2 799 996.00	R 2 795 920.90
Operational:Typical Work Streams:Ward Committees:Ward Initiatives:Shobashobane Commemoration	R 479 470.00	R 479 469.00
Operational:Typical Work Streams:Functions and Events:Recreational Functions:Maskandi Festival	R 250 000.00	R 250 000.00
Operational:Typical Work Streams:Community Development:Community Initiatives:INKUNDLA FESTIVAL	R 200 000.00	R 198 620.00
Operational:Typical Work Streams:Community Development:Entrepreneurial Support System:Tourism and Marketing Events	R 100 000.00	R 100 000.00
Operational:Typical Work Streams:Community Development:Entrepreneurial Support System:SMME Development	R 652 174.00	R 652 173.91
Operational:Typical Work Streams:Community Development:Entrepreneurial Support System:SMME Development	R 5 650 000.00	R 5 615 527.20
Operational:Typical Work Streams:Community Development:Entrepreneurial Support System:SMME Development	R 1 000 000.00	R 999 976.50
Operational:Typical Work Streams:Community Development:Entrepreneurial Support System:Poverty Alleviation Projects	R 250 000.00	R 194 872.23
Operational:Typical Work Streams:Community Development:Entrepreneurial Support System:Poverty Alleviation Projects	R 500 000.00	R 422 697.09
Operational:Typical Work Streams:Community Development:Entrepreneurial Support System:Investment Promotions	R 250 000.00	R 60 549.67
Operational:Typical Work Streams:Community Development:Entrepreneurial Support System:Informal Traders Development	R 350 000.00	R 157 717.00
Operational:Typical Work Streams:Community Development:Entrepreneurial Support System:Informal trader permits and cards	R 122 000.00	R -
Operational:Typical Work Streams:Community Development:Entrepreneurial Support System:Co-Ops Development	R 500 000.00	R 237 241.00
Operational:Typical Work Streams:Community Development:Entrepreneurial Support System:Business Retention	R 100 000.00	R 67 265.00

## Appendix S: Section 71 reports not made in due time

The municipality submitted all section 71 returns within legislated time frames.

## Appendix T: National and Provincial outcomes on Local government

There is currently no updated report on the outcomes for 2022-2023 available for inclusion in the annual report.



Appendix U: Corrective Action Plan – Auditor General’s findings for year ended 30 June 2023

**Status of implementation**

Achieved	In-progress	Not-started	Comments
0%	0%	0%	

TREASURY	4
PERFORMANCE MONITORING AND EVALUATION	4
INTERNAL AUDIT & RISK MANAGEMENT	1
ICT	2

**RAY NKONYENI MUNICIPALITY ACTION PLAN FOR MATTERS BY THE AUDITOR GENERAL FOR PERIOD 30 JUNE 2023**

	FINDING	CORRECTIVE ACTION	TIMEFRAME	RESPONSIBLE MANAGER	PROGRESS/STATUS
<b>NO ANNEXURE A FINDINGS</b>					
<b>ANNEXURE B: OTHER IMPORTANT MATTERS</b>					
1.	<p><b>Cash flow statement differences</b></p> <p>Material misstatement of the cash flow statement identified by the auditors in the submitted financial statements were</p>	<p>The cashflow statement will be prepared by Senior Accountant</p> <p>Review by Manager as well as CFO before review by Internal audit manager.</p>	15 August 2024	<p>ACFO</p> <p>Acting Manager: Budget &amp; Reporting</p> <p>Manager: Internal Audit &amp; Risk Management</p>	

	FINDING	CORRECTIVE ACTION	TIMEFRAME	RESPONSIBLE MANAGER	PROGRESS/STATUS
	subsequently corrected				
2.	<p><b>Awards made to Tax non-compliant suppliers</b></p> <p>During the audit of the <b>Competitive Bids &amp; deviations from the normal procurement process</b> when confirming that the bidders were tax-compliant at the date of award. It was established through CSD history report, that the winning bidders were not tax-compliant at the date of either the final award or the day of communication of the award.</p> <p>This resulted in non-compliance with section 43 of the Municipal supply chain regulations.</p>	Supply Chain Management will use the CSD report to confirm the tax compliance of suppliers when awarding the tender.	4 <sup>th</sup> Quarter	ACFO  Manager: SCM	

	<b>FINDING</b>	<b>CORRECTIVE ACTION</b>	<b>TIMEFRAME</b>	<b>RESPONSIBLE MANAGER</b>	<b>PROGRESS/STATUS</b>
3.	<p><b>Appointment of a turnkey projects</b></p> <p>During the audit it was established that the initial award made to Ziyanda Consulting Engineers in tender number 8/2RNM0166 was amended to include an increased scope of work of the construction phase of the Rehabilitation of Collage Road in Southbroom project through a council resolution and that Ziyanda Consulting Engineers was appointed as a turnkey projects resulted to a merger of different contracts and the non-compliance.</p>	<p>The CFO and SCM will consult the KZN Provincial Treasury for guidance on the implementation of Turnkey Projects.</p> <p>KZN Provincial Treasury will share a report on the implementation of Turnkey Projects and this report will be tabled to council for noting before the end of May 2023.</p>	<p>30 May 2024</p> <p>30 May 2024</p>	<p>CFO</p> <p>Manager: SCM</p>	<p>Consulted with KZN Provincial Treasury SCM Section regarding Irregular Expenditure on the 13 March 2024.</p>

	<b>FINDING</b>	<b>CORRECTIVE ACTION</b>	<b>TIMEFRAME</b>	<b>RESPONSIBLE MANAGER</b>	<b>PROGRESS/STATUS</b>
	This resulted in non-compliance with section 19(a) of the Municipal supply chain regulations.				
4.	<p><b>Allocation of work within the panel &amp; Rotation of suppliers: fair and transparent process relating to consulting engineers</b></p> <p>During the audit of procurement, it was identified that the suppliers were awarded work after being appointed through a panel. However, the auditors were unable to obtain sufficient and appropriate audit evidence to confirm that the principles of fairness, transparency, equity, cost-effectiveness and competitiveness</p>	<p>To consult with KZN Provincial Treasury SCM Treasury to obtain clarity on appropriate application of regulations where panel process has no clear legislation.</p> <p>Amend and table to council for approval of the amended SCM policy detailing the process for allocation of work in panels in line with the MFMA and SCM regulations.</p> <p>Investigate the irregular expenditure of all prior panels</p>	30 June 2024	<p>ACFO</p> <p>Manager: SCM</p> <p>Manager: Internal Audit &amp; Risk Management</p>	<p>Consulted with KZN Provincial Treasury SCM Section regarding Irregular Expenditure on the 13 March 2024.</p>

	<b>FINDING</b>	<b>CORRECTIVE ACTION</b>	<b>TIMEFRAME</b>	<b>RESPONSIBLE MANAGER</b>	<b>PROGRESS/STATUS</b>
	<p>and the Terms of Reference (TOR) were communicated to bidders prior to forming the panel (list).</p> <p>The audit team requested from the municipality the system to allocate work to the consulting engineers appointed to the panel to which it was explained that the process to appoint is done by analysing which panel members have been utilised and awarding work to a contractor who had not yet been awarded work.</p> <p>However, this was not confirmed through a documented system to track whether this is taking place as described.</p>	<p>and implement appropriate measures on irregular expenditure incurred where there has been no rotation.</p>			

	<b>FINDING</b>	<b>CORRECTIVE ACTION</b>	<b>TIMEFRAME</b>	<b>RESPONSIBLE MANAGER</b>	<b>PROGRESS/STATUS</b>
	This resulted in non-compliance with section 2(1)(a) of the Preferential Procurement Policy Framework Act.				
5.	<p><b>AoPO: No. of m<sup>2</sup> of road surface repairs achieved do not agree to physical verifications</b></p> <p>During the audit, it was noted that the number of m<sup>2</sup> of road surface repairs as per the annual performance report does not agree with the number of m<sup>2</sup> as per physical verification</p>	<p>Potholes will be marked and recorded on the daily job and reported on the weekly report. And the method of measuring wheel will be utilised. Verifications will be conducted by PME on a quarterly basis.</p>	<p>Quarterly</p> <p>Ongoing</p>	<p>Manager: PME</p> <p>Manager: Roads</p>	
6.	<p><b>AoPO: No. of km graded achieved do not agree to physical verifications</b></p> <p>During the audit, it was noted that the number of kilometres graded as per the progress</p>	<p>One method of verification will be used which is a measuring wheel, further to this, verifications will be done quarterly by PME.</p>	<p>Quarterly</p> <p>Ongoing</p>	<p>Manager: PME</p> <p>Manager: Roads</p>	

	FINDING	CORRECTIVE ACTION	TIMEFRAME	RESPONSIBLE MANAGER	PROGRESS/STATUS
	reports does not agree with the number of kilometres as per physical verification				
7.	<p><b>AoPO: No. of m<sup>2</sup> of storm water systems maintained do not agree to physical verifications</b></p> <p>During the audit, it was noted that the number of m<sup>2</sup> of storm water systems maintained as per the operational weekly reports does not agree with the number of m<sup>2</sup> as per physical verification</p>	One method of verification will be used which is a measuring wheel, further to this, verifications will be done quarterly by PME.	<p>Quarterly</p> <p>Ongoing</p>	<p>Manager: PME</p> <p>Manager: Roads</p>	
8.	<p><b>AoPO: Improvement in strategic objective “To ensure existing infrastructure is maintained and improved” not</b></p>	The Technical Indicator Descriptions will be revised so that they address all issues raised by AG,	March 2024	<p>Manager: Roads</p> <p>Manager Facilities Management</p>	

	<b>FINDING</b>	<b>CORRECTIVE ACTION</b>	<b>TIMEFRAME</b>	<b>RESPONSIBLE MANAGER</b>	<b>PROGRESS/STATUS</b>
	<p><b>fully demonstrated in related indicators</b></p> <p>During the audit of the achievement of the strategic goals relating to the development priority "Service delivery" it was noted that the following related performance indicator did not fully demonstrate the improvement aspect of the strategic objective "To ensure existing infrastructure is maintained and <b>improved</b>"</p>			Manager: PME	
9.	<p><b>Anti-fraud hotline not operational</b></p> <p>During the audit of the entity's internal controls and fraud assessment, the auditors identified that the anti-corruption hotline was not operational during the</p>	Management will update the Ray Nkonyeni Municipality's Anti-Fraud & Anti-Corruption Strategy and include on the municipal website the alternative reporting lines. Furthermore, management will explore the option of	30 June 2024	Manager: Internal Audit & Risk Management	



	<b>FINDING</b>	<b>CORRECTIVE ACTION</b>	<b>TIMEFRAME</b>	<b>RESPONSIBLE MANAGER</b>	<b>PROGRESS/STATUS</b>
	<p>2022/23 financial year. This is a control that management places significant reliance on based on responses that was received on the fraud questionnaires that were issued to management.</p> <p>The audit team has followed up with management and established that management was not aware that the fraud hotline was not operational and only followed up with UGU District Municipality after the audit team brought it to their attention on 16 October 2023.</p>	sourcing an independent service provider to supply the municipality with a fully functional fraud hotline that will be designated to and controlled by the Ray Nkonyeni Municipality to ensure continuous monitoring thereof.			
10.	Inadequate system administrator activity reviews for the Munsoft	The requested changes are in development. We are waiting update with ETA	30 June 2024	Manager: ICT	The requested changes are in development. We are waiting update with ETA

	<b>FINDING</b>	<b>CORRECTIVE ACTION</b>	<b>TIMEFRAME</b>	<b>RESPONSIBLE MANAGER</b>	<b>PROGRESS/STATUS</b>
	and NMS-BRET systems could result in unauthorised activities not being detected	from the service providers.			from the service providers.
11.	Insufficient disaster recovery testing performed for Trafman may inhibit the municipality's ability to timeously restore the system in the event of a disruption	Convert existing Traffman server to Virtual machine and join to our existing backup infrastructure	30 June 2024	Manager: ICT	The server was converted to a virtual machine and joined to the Veeam backup infrastructure. First disaster recovery test will be done in end of march.

Volume II Annual Financial Statement (Attached Separately) Annexure B