



# **UMDONI MUNICIPALITY DRAFT 2023/2024 ANNUAL REPORT**

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**Legislative Responsivity: Municipal Council of Umdoni**

The 2023/2024 Annual Report has been prepared in accordance with the provisions of Section 121 of the Municipal Financial Management Act (MFMA), 56 of 2000, Section 46 of the Local Government Municipal Systems Act (MSA), 32 of 2000 and Circular no 63 of Provincial Treasury, and thereafter approved by the Municipal Council after following all the process prescribed by Section 129 of the MFMA. In compliance with the MFMA, this Annual report will be tabled by the Mayor at a Municipal Council Meeting to be held on 29 January 2025, as prescribed by Section 127 of the MFMA, and was thereafter, in terms of Section 21(a) of the MSA, publicized for comments.

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

**Mr. NG Khumalo**  
**Acting Municipal Manager**  
**Umdoni Municipality**

# Chapter 1 – OFFICE OF THE MAYOR AND EXECUTIVE SUMMARY

## 1.1 COMPONENT A – FOREWORD: OFFICE OF THE MAYOR



It is a privilege to present the 2023/2024 Draft Annual Report for Umdoni Local Municipality as we reflect on the achievements and challenges of the past year. This document serves as a comprehensive overview of our collective efforts to enhance the life of all residents and visitors in our vibrant community.

### a. Vision

“By 2030 Umdoni will be the J.E.W.E.L of the South Coast.”

### b. Key Policy Developments

Our commitment to effective governance and sustainable development has driven key strategic objectives over the past year. From initiatives that promote efficient service delivery to policies fostering economic growth, we have strived to create a framework that aligns with the evolving needs of our community. Equality and service delivery are at the forefront of our policy making, ensuring that the benefits of our decisions are felt in every area of Umdoni.

The Key Strategic Objectives of Umdoni are:

- To establish an effective and efficient ICT System unit within Umdoni which is compliant, advanced and enhances communication channels that will improve time management and increase service delivery
- To ensure the implementation & Compliance to the Occupation Health & Safety Policy that is in line with relevant legislation
- To improve HR Policy Framework that is in line with the IDP and legislation and to ensure alignment of Organizational skills with the Organogram
- To ensure provision, upgrading, and maintenance of infrastructure and services that enhances economic development
- To ensure that the Housing Backlog is eliminated
- To promote economic development in order to reduce poverty, inequality and unemployment
- To promote human rights and social upliftment of vulnerable groups
- To ensure effective and efficient internal and external communication
- To ensure financial sustainability and sound financial principles
- Integrated approach towards planning for urban and rural communities

The above strategic objectives are aligned with the Provincial Growth and Development Strategy, the National Development Plan, the National Spatial Development Perspective and the National Key Performance Areas.

### c. Key Service Delivery Improvements

2023/2024 financial year saw the manifestation of instability in labour, service delivery and the broader community's satisfaction in the municipality's services that resulted in labour and community unrest. As Council these manifestations have highlighted areas of improvement in council oversight and the monitoring and evaluation of Senior Management's performance as prescribed by the Municipal Systems Act of 2000.

Service delivery remains and lies at the heart of our municipal mandate and there has been strides towards restoration of all municipal services and operations. Our staff has worked tirelessly in

addressing the refuse removal backlog caused by rising tensions between the municipality and its labour during the last quarter of the financial year.

Strides achieved in service delivery are evident in the rehabilitation of 1.1 Kms of Hazelwood Road in Ward 13, maintenance of Stormwater as per the conditional assessment conducted in 2022, the construction and upgrading of steep hills from gravel to concrete in various rural and semi-urban wards. Council long resolved to upgrade major rural roads from gravel to asphalt that link wards to economic hubs and provide access to education. During the 2023/2024 financial year the municipality completed the upgrade of Smolo Road from Gravel to Asphalt.

260 Households were electrified in Ward 1 with only the municipality awaiting an outage date from ESKOM as of 30 June 2024 to energise the connected households. Umdoni constructed and completed the KwaMpondondo Sportfield and reached the halfway mark in the construction of Mandlalathi and Mgangeni Community Hall.

Umdoni municipality had to re-adjust their budget and Service Delivery Budget and Implementation Plan (SDBIP) in May 2024 to include projects that would be implemented with the Disaster Management Grant received towards the end of the financial year for areas that were affected by the 2022 floods. Utilizing the Disaster grant the municipality commenced with the regravelling of Hlongwa, Vukaphi, Mphemba, Shange, Access Roads in various rural wards and the rehabilitation of Hazelwood area, and Bushy Grove in wards 13 & 15.

In eliminating the housing backlogs with the financial backing of the Department of Human settlements, 20 Houses were constructed for the Amandawe rural housing project, 50 houses for the Malangeni rural housing project, 50 units were rectified in the Ifafa Glebe rectification project.

1 community hall and 5 tidal pools were maintained during this financial year. The municipality conducted an assessment of all our community facilities that seeks to identify the maintenance requirements for each community facility. This assessment will be used for planned community maintenance programme for the upcoming financial year.

Verge maintenance was conducted in 13 areas through Umdoni urban areas, challenges and complaints are noted regarding the delivery of this service and improvements and action plan has been developed to address gaps in the upcoming financial year.

Under local economic development, the construction of the access road to Umzinto informal traders project was in progress as of 30 June 2024 and rolled over for completion in the 2024/2025 financial year. The municipality created over 150 job opportunities through the EPWP programme with incumbents strategically placed in service delivery programmes such as verge maintenance, Stormwater maintenance and waste programmes. 40 SMMEs and Co-Operatives were provided with support for the year under review.

#### **d. Public Participation**

A thriving municipality is built on the active involvement of its residents. This year we prioritised public participation as the cornerstone of our decision making process. Through public meetings, online platforms and engagements with our stakeholders, we have sought and received valuable input from our residents. The feedback has been instrumental in working towards the transformation of the state of our services, policies and reinforcing the importance of collaboration in building Umdoni that will be the JEWEL of the south coast by 2030.

#### **e. Future Actions**

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

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

- Verge Maintenance
- Roads rehabilitation and upgrading

- Waste Management
- Maintenance of community facilities
- Infrastructure & Basic Services i.e  
(Funding from MIG, INEP for informal electrification).

#### **f. Conclusion**

In closing, the Annual Report encapsulates the collective efforts of our dedicated municipal staff, community partners, and most importantly, the residents of Umdoni Municipality. We have faced unprecedented challenges and celebrated remarkable success together such as the awarding of a Blue Flag status for Pennington Beach. The spirit of resilience and unity should define Umdoni and be evident going into the future. Let us embrace the opportunities that lie before us as we forge ahead, confident in our ability to build a future that reflects the shared aspirations of our diverse and dynamic community.

I extend my gratitude to the Executive Committee, the acting Municipal Manager, and all who have contributed to the progress and rebuilding of Umdoni brand. I look to another year of improvements, collaborations and achievement.

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Your Worship: The Mayor  
Cllr. Mbali Cele- Luthuli



## 1.2 COMPONENT B: EXECUTIVE SUMMARY

### MUNICIPAL MANAGER'S OVERVIEW

I am pleased to present the overview of 2023/2024 financial year for inclusion in the Umdoni's Annual Report.

The operating environment for local government has grown more complex in recent years and the fiscal year of 2023/2024 has been no exception.

The municipality encountered significant leadership challenges both administratively and politically during the year under review that has manifested itself in the commencement of labour unrests in April 2024 that also led to community unrests in the commencement of the 2024/2025 financial year.

The municipality aims to enhance service delivery through mending our relations with labour and all our relevant stakeholders as well as the community at large. This will be done by filling of all critical positions, prioritising governance and financial management issues.

This summary provides a comprehensive glimpse into the challenges, key achievements and noteworthy developments that have shaped our community and environment.

Robust financial management practises need to be implemented, ensuring that resources are allocated efficiently and transparently to meet the needs of our communities.

At the core of enhancing the living conditions in our communities lies the development of infrastructure, with primary focus on facilitating and co-ordinating the provision of water and sanitation, provision of waste management, verge maintenance, construction of new and maintenance of existing community facilities, electrification of households as well as co-ordinating and facilitating the provision of rural housing in partnership with the Department of Human Settlements.

Notable achievements include the upgrading of Smolo Road from gravel to Asphalt, the construction and completion of KwaMpondodo Sportfield, electrification of 206 households that only required energising by ESKOM as of 30 June

2024. The municipality reached the highway mark for the construction of Mgangeni and Mandlalathi Community hall with anticipated completion by the end of the 2<sup>nd</sup> quarter in the new financial year.

We also take pride in securing funding for the implementation of disaster projects that were affected by the 2022 floods which included the re-gravelling of various rural and urban roads.

The primary objective of the Extended Public Works Programme (EPWP) is to offer temporary employment opportunities to a number of unemployed residents within Umdoni. In line with this goal the EPWP programme consistently brings about positive transformations for Umdoni and its communities. During the 2023/2024 periods specifically, the EPWP programme generated over 150 temporary work opportunities.

In conclusion the 2023/2024 financial year was characterised by notable achievements amid inherent challenges. The municipality's commitment to fiscal responsibility, community engagement and sustainable development will lay a strong foundation for the future. We remain dedicated to overcoming challenges, embracing opportunities and serving our community with diligence and transparency.

The honourable Mayor, her executive committee, and the administrations unwavering commitment to serving the communities interests are responsible for the wins achieved this financial year amidst challenges.

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NG Khumalo  
Acting Municipal Manager

### 1.3 MUNICIPAL FUNCTIONS, POPULATION AND ENVIRONMENTAL OVERVIEW

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

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

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

Population Group	Number of People
<b>Black African</b>	123 358

<b>Coloured</b>	896
<b>Indian/Asian</b>	20 778
<b>White</b>	11 115
<b>Other</b>	243
<b>Unspecified</b>	14
<b>Total</b>	<b>156 443</b>

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

### MUNICIPAL FUNCTIONS

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

MUNICIPAL FUNCTIONS	Function Applicable to Umdoni Local Municipality (Yes /No)*
<b>Constitution Scheduled 4, Part B functions:</b>	
Air pollution	No
Building regulations	Yes
Child care facilities	No
Electricity and gas reticulation	No
Firefighting services	Yes
Local tourism	Yes
Municipal airports	No
Municipal planning	Yes
Municipal health services	No
Municipal public transport	Yes
Municipal public works only in respect of the needs of municipalities in the discharge of their	No

MUNICIPAL FUNCTIONS	Function Applicable to Umdoni Local Municipality (Yes/No)*
responsibilities to administer functions specifically assigned to them under this Constitution or any other law.	
Pontoons, ferries, jetties, piers and harbours, excluding the regulation of international and national shipping and matters related thereto.	No
Storm water management systems in the built-up areas	Yes
Trading regulations	Yes
Water and sanitation services limited to portable water supply system and domestic waste-water and sewage disposal systems	No
Beaches and amusement facilities	Yes
Billboards and the display of advertisements in public places	Yes
Cemeteries, funeral parlours and crematoria	Yes
Cleansing	No
Control of public nuisances	Yes
Control of undertakings that sell liquor to the public.	No
Facilities for the accommodation, care and burial of animals.	No
Fencing and fences	No
Licencing of dogs	No
Licencing and control of undertakings that sell food to the public.	No
Local amenities	Yes
Local sport facilities	Yes
Markets	Yes
Municipal abattoirs	No
Municipal parks and recreation	Yes
Municipal roads	Yes
Noise pollution	Yes
Pounds	Yes
Public places	No
Refuse removal, refuse dumps and solid waste disposal.	Yes
Street trading	Yes
Street lighting	Yes
Traffic and parking	Yes

## ENVIRONMENTAL OVERVIEW

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

### Natural Resources

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

## SERVICE DELIVERY OVERVIEW

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

The following provides an overview of the work performed during 2023/2024 financial year. The summaries of the performances reported below, must be read in conjunction with the audited performance report.

DIRECTORATE	SERVICES
<b>Office of the Municipal Manager</b>	<p>The office of the Municipal Manager over and above the sections reflected below include the Communications and Customer care, Internal Audit, Risk Management, Youth Development, Public Participation &amp; Council Support as well as IDP/PMS. Throughout the year the communications section communicated specific and service delivery related information with the public. i.e Refuse Removal schedules, progress on service delivery projects, Sod Turnings and Mayoral Izimbizo information updates, Council meetings. Council information is also communicated through the quarterly newsletters.</p> <p>The Internal Audit unit audited financial and non-financial related reports to ensure completeness and correctness of all reported performance on a scheduled basis. All audit activities assist with readiness and preparation of the external audit as conducted by the Auditor General. The IDP was developed and approved by Council on the 24 May 2023 as the most strategic principal document and plan of the municipality for execution by all Departments. The IDP was informed by the public engagement process, which guided the application of municipal resources. The IDP/PMS Section drafted the Service Delivery Budget and Implementation Plan (SDBIP) that was approved by the Mayor within 28 days after the approval of the municipal budget. Youth and Sport Development programs also received and provided significant support in benefit of our local communities.</p>
<b>Corporate Services</b>	<p>The Corporate Services Directorate managed all administrative processes of Council, of which included the Convening and reporting outcomes of Council and Council Committee meetings. The Directorate also hosts the Human Resources department which primarily</p>

	<p>handled all recruitment of employees during the financial year. The training and development of Councillors and municipal staff was coordinated in accordance with the municipality's Work Skills Plan (WSP) All council/municipality owned properties and legal services was also undertaken and managed by the directorate</p>
<b>Budget &amp; Treasury</b>	<p>Our municipal finances were done in accordance with the Council approved Budget, as was approved at the end of May 2020. All municipal finances were strictly managed in accordance national regulatory prescripts and municipal approved policies. The General Recognised Accounting Practices directed the standard recording of municipality transactions as was executed.</p>
<b>Planning &amp; Development</b>	<p>The Spatial development within the municipality boundaries, directed all spatial planning and developments for the year under review in accordance with the Council approved Spatial Development Framework. Spatial development was also to direct integration of communities both in terms of residential and business development programmes. The Town Planning department managed all building related activities and applications in accordance with set Building Relations. The Local Economic Development (LED) section initiated all local economic development programs and activities within the municipality. Support for existing and new local businesses were also provided to stimulate the development and expansion of local economy.</p>
<b>Community Services</b>	<p>The municipality Disaster Management plan facilitated the provision of major Fire and Rescue services to prevent any potential form of natural disaster. The Traffic and Law Enforcement services provided included regular traffic control and implementation of traffic rules and By-laws. Regular regulation of traffic, especially in the CBD of Scottburgh and at times in Umzinto ensured smoother traffic flow and the prevention and reduce of traffic related accidents. The maintenance of our municipal Parks, Public open spaces were also managed, including the management of noise natural resource pollution of which include the protection of our Lagoons, Ocean and Forestry areas. Most of these programs were undertaken in collaboration with National/Provincial governments and institutions like the Sharks Board, KZN Wildlife. Our local, Libraries, Halls, Cemeteries, Museums, Arts and Culture.</p>
<b>Technical Services</b>	<p>The Community services directorate focused on the promotion of a clean, healthy and safe living and work environment. The cleanliness of the respective towns within our municipality boundaries by way weekly refuse removal for both residential and business communities. Some past challenges were experienced with availability of refuse trucks to effect scheduled refuse removal. The Technical Services Directorate was responsible for the roll-out and provision of Basic Services; including Electricity, Roads</p>

	<p>services and Infrastructure projects. The provision of these different services was conducted in accordance with the different Master Plans as was approved by council. The exponential growth of our local towns placed tremendous strain on the sustainable provision of services, though most services provided were in accordance with national standards. The maintenance and improvement of our Roads Infrastructure networks received significant attention though much more focus and activity are currently in progress in this area. It is rather unfortunate that the expansion of our towns is not equal the amount of revenue generated for the provision of services. Our dependence on national and provincial grants hampers our intended levels of development amidst the municipality competing with other municipalities across the country. An improved revenue collection could ensure lesser dependence on national/provincial grants.</p>
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## 1.4 FINANCIAL HEALTH OVERVIEW

(To be included)

## 1.5 ORGANIZATIONAL DEVELOPMENT OVERVIEW

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

## 1.6 AUDITOR GENERAL REPORT

Umdoni Local Municipality received a qualified audit opinion for the 2023/2024 financial year. This is a

regression following over 4 years of consecutive unqualified Audit Opinions.

### 1.6.1 AUDITED OUTCOMES

- 2015/2016 – Unqualified with other matters
- 2016/2017 – Unqualified with other matters
- 2017/2018 – Unqualified with other matters
- 2018/2019 – Unqualified with other matters
- 2019/2020 – Unqualified with other matters
- 2020/2021 – Unqualified with other matters
- 2021/2022 – Unqualified with other matters
- 2022/2023 – Unqualified with other matters

## 1.7 STATUTORY ANNUAL REPORT PROCESS

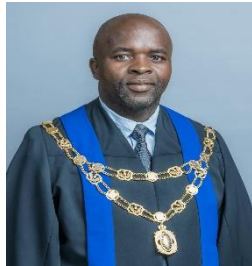
No.	Activity	Timeframe
1	Consideration of next financial year's Budget and IDP process plan. Except for the legislative content, the process plan should confirm in-year reporting formats to ensure that reporting and monitoring feeds seamlessly into the Annual Report process at the end of the Budget/IDP implementation period	July – September 2024
2	Implementation and monitoring of approved Budget and IDP commences (In-year financial reporting).	
3	Finalize the 4th quarter Report for previous financial year	
4	Submit draft year 0 Annual Report to Internal Audit and Auditor-General	
5	Municipal entities submit draft annual reports to MM	
6	Audit/Performance committee considers draft Annual Report of municipality and entities (where relevant)	August 2024
8	Mayor tables the unaudited Annual Report	
9	Municipality submits draft Annual Report including consolidated annual financial statements and performance report to Auditor General	
10	Annual Performance Report as submitted to Auditor General to be provided as input to the IDP Analysis Phase	
11	Auditor General audits Annual Report including consolidated Annual Financial Statements and Performance data	September – October 2024
12	Municipalities receive and start to address the Auditor General's comments	January 2025
13	Mayor tables Annual Report and audited Financial Statements to Council complete with the Auditor- General's Report	
14	Audited Annual Report is made public and representation is invited	
15	Oversight Committee assesses Annual Report	
16	Council adopts Oversight report	March 2025
17	Oversight report is made public	
18	Oversight report is submitted to relevant provincial councils	
19	Commencement of draft Budget/ IDP finalization for next financial year. Annual Report and Oversight Reports to be used as input	March – May 2025
This Annual Report must now be tabled by the end of January 2024 and the Oversight Report must be submitted to the Council by the end of March 2025.		

## CHAPTER 2: GOVERNANCE

### 2.1 COMPONENT A: POLITICAL GOVERNANCE



Cllr. MJ Cele Luthuli -  
Mayor



Cllr. PE Thabethe -  
Deputy Mayor - Ward 9



Cllr. R Maharaj  
EXCO Member - Ward  
13



Cllr. P Naidoo - EXCO  
Member



Cllr. SG Dlamini - PR  
EXCO Member



Cllr. ZZ Duma - PR  
EXCO Member





Cllr. S Zulu – Ward 1



Cllr. MR Madlala –  
Ward 2



Cllr. ME Mbutho –  
Speaker Ward 3



Cllr. MA Mbanjwa –  
Ward 4



Cllr. MG Phungula –  
Ward 5



Cllr. LR Dlamini – Ward  
6



Cllr. SW Mthwane –  
Ward 7



Cllr. SHE Mngoma –  
Ward 8



Cllr. A Cutten– Ward 10



Cllr. NP Nombika –  
Ward 11





Cllr. S Sookhraj – Ward  
12



Cllr. BA Cele – Ward 14



Cllr. D Daniels – Ward  
15



Cllr. NL Nkomo – Ward  
17



Cllr. NT Ndlovu – Ward  
18



Cllr. SV Khanyile –  
Ward 19



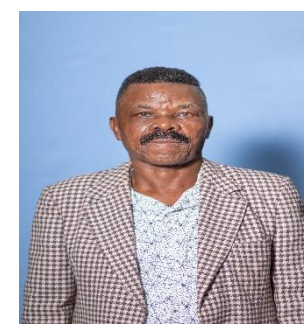
Cllr. KP Khumalo – PR



Cllr. MA Khan – PR



Cllr. MJ Ndlela – PR



Cllr. MJ Ngubo PR



Cllr. MP Tenza - PR



Cllr. NC Gumede - PR



Cllr. R Bhoola - PR



Cllr. S Mohamed - PR



Cllr. S Mzelemu



Cllr. SD Mdluli - PR



Cllr. Z Molife - PR



Cllr. ZKW Jeza - PR

## 2.2 ADMINISTRATIVE GOVERNANCE



LOADING...

Acting Municipal  
Manager: NG Khumalo



GM: Technical Services  
M Shangase



Acting GM: Community  
Services – Mr. B Ntsebesha



LOADING...

Mr. S Nxele  
GM: Planning & Development



Acting GM Corporate  
Mr. K Molohlanye



LOADING...

Acting GM Budget &  
Treasury – Mr. T Mketsu

## 2.3 COMPONENT B: INTERGOVERNMENTAL RELATIONS

Umdoni Local Municipality forms part of various intergovernmental relations platforms within the District and the province. However active participation in some of the platforms has been a challenge for the year under review. In the 2024/2025 financial year Umdoni will revive active participation and engagement in all relevant intergovernmental structures in order to achieve co-ordinated and integrated planning.

Umdoni Actively participates in the following forums:

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

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

Premiers Coordinating Forum  
SALGA Working Groups

Municipal Managers Forum  
Provincial IDP Indaba  
Disaster Management Forum

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

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

### **RELATIONSHIP WITH MUNICIPAL ENTITIES**

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



## 2.4 COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION

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

### PUBLIC MEETINGS

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

## 2.5 COMPONENT D: CORPORATE GOVERNANCE

### 2.6 RISK MANAGEMENT

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

Section 62(1)(c)(i) of the Municipal Finance Management Act 56 of 2003 (MFMA), prescribes that the accounting officer must ensure that the institution has and maintains effective, efficient and transparent systems of financial and risk

management and internal control. As such the municipality has undertaken a risk assessment review with the aim of mitigating the threats that the municipality is faced with in order to ensure that service delivery within the municipality is not compromised. During the 2023/24 financial year, the municipality reviewed the risk management policy with the auspices of the Provincial Treasury and was adopted by the council. In terms of this policy, it outlines the processes to be undertaken by the municipality in terms of identifying, measurement, responding and reporting on risks that could affect the municipality from achieving its strategic and operational objectives.

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

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

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

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

### 2.7 ANTI-FRAUD & CORRUPTION

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

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

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

#### (a) Structural Strategies

- I. Allocation of responsibilities for fraud and corruption risk management within the institution.

- II. Establishing an ethical culture within the municipality
  - III. Ensuring that Senior management affirms its commitment on eradicating fraud and corruption
  - IV. Assessment of fraud and corruption risks, and;
  - V. Employee awareness
- (b) Operational Strategies**

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

**(c) Maintenance strategies**

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

## 2.8 SUPPLY CHAIN MANAGEMENT

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

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

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

These are phases that distinguish the SCM processes:

- Demand management which deals with the planning process, such as:
  - Determination of market strategy.
- Acquisition management which deals with procurement processes, such as:
  - Identification of preferential policy objectives
  - Compilation of tender documentation, including Conditions;
  - Determination of evaluation criteria;
  - Evaluation of tenders and tabling of recommendations;
  - Compilation and signing of contract documents; and
  - Contract administration (contract register).
- Logistics management, which deals with provision of services; and
- Disposal management, which deals with disposal of assets once their lifespan has come to an end.

## CHAPTER 4: ORGANIZATIONAL PERFORMANCE REPORT PART II

The Umdoni PMS Framework was adopted in July 2021. Organizational performance forms an integral part of the implementation of the Integrated Development Plan (IDP) operational plans that are monitored and progress is reported annually against the targets set out as well as challenges experienced during the 2023/2024 Financial Year.

Municipal Systems Act (MSA) of 2000, Section 38(a) mandates municipalities to establish performance management systems, and the Planning and Performance Management Regulations of 2001, describes the municipality's Performance Management System (PMS) as consisting of a framework that articulates and represents how the municipality's cycle and processes of performance planning, monitoring, measurement, review, reporting and improvement will be conducted, organised and managed as well as to determine the roles of different stakeholders.

The performance management system is a tool that measures the implementation of an organisation's strategy. It also provides a mechanism to measure whether targets meet the strategic objectives that are set by municipalities and employees. In Umdoni municipality the PMS implementation and management process is carried out at phases namely:

- **Phase 1: Planning**

Umdoni Municipality embarked on the first phase of an organisational performance management system and the key output of this process was the development of the Integrated Development Plan (IDP) that was adopted by Council in May 2023.

- **Phase 2: Implementation**

The actual implementation of the IDP over a single financial year is given effect through the Service Delivery Budget Implementation Plan (SDBIP), performance contracts of the Municipal Manager and other S57 Managers. 2023/2024 SDBIP was approved by the Mayor in June 2023 and Performance Agreements were concluded in July 2023.

- **Phase 3: Monitoring**

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

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

- **Phase 4: Evaluation**

Evaluation is a periodic, in-depth analysis of programme performance. It relies on data generated through monitoring activities such as Quarterly performance reviews and Performance Evaluations. Umdoni Municipality has appointed a Performance Evaluation Committee through a Council resolution that includes:

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

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

## 1. ANNUAL ORGANIZATIONAL PERFORMANCE INFORMATION

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

The Annual Performance Report highlights the key performance measures included in the Integrated Development Plan (IDP) review for the 2023/2024 financial year. These priority measures constitute the Organisational Performance Scorecard / Top Layer of the SDBIP on basic service delivery targets) for 2023/2024 financial year.

The annual performance reporting on the 2023/2024 financial year has been completed and reflected in the Top Layer of Service Delivery Targets set in the Service Delivery Budget Implementation Plan in a table format (aligned to the previously prescribed format by KwaZulu Natal Department of Corporate Governance and Traditional Affairs).

### Analysis of Reported Achievements – Comparison with Previous Financial Years

As of 30 June 2024, **81,1%** of organizational performance targets have been met. This reflects an increase in organizational performance compared with 2022/2023 financial year when **70%** of planned performance targets were met. Areas where challenges were experienced and areas of improvement identified will be highlighted under the analysis of each Key Performance Area and further in the performance analysis of each user department based on the performance of each user Department.

Table 1 below illustrates the percentage of performance for the 2023/2024 financial year in comparison to the three previous financial years.

**Table 1: Organizational Performance comparison to previous FY**

	2023/2024	2022/2023	2021/2022	2020/2021
<b>Targets Met</b>	81,1%	70%	68,65%	58,62%
<b>Targets Not Met</b>	18,8%	32,35%	31,35%	41,37%



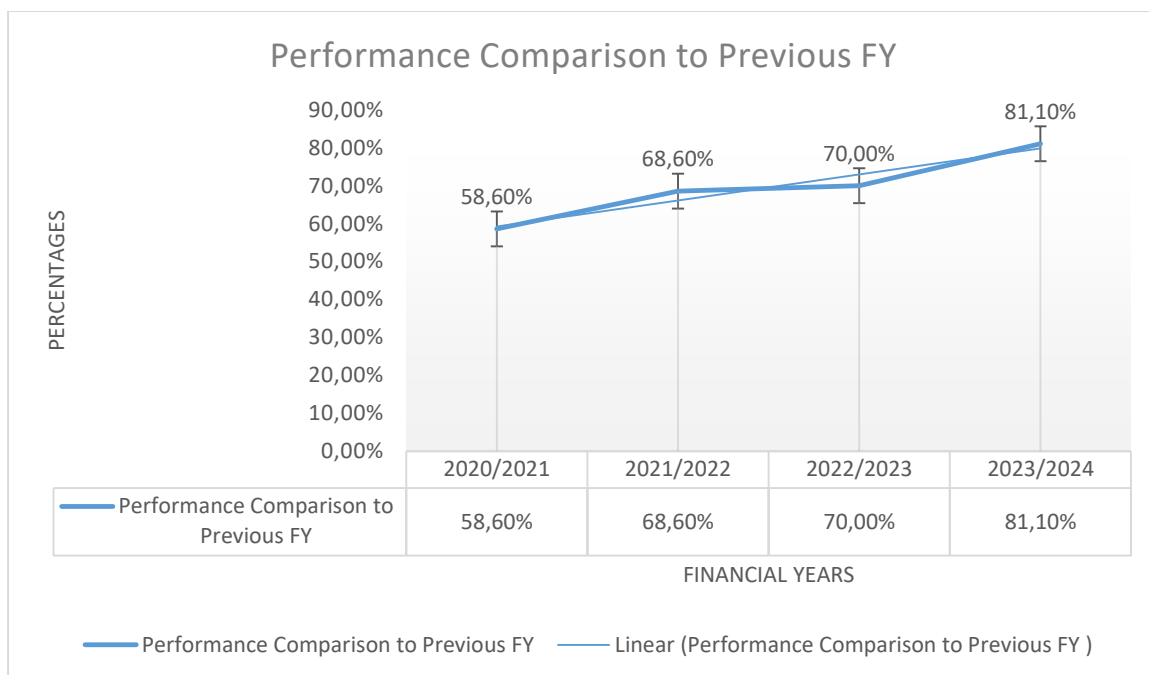


Figure 1: Performance for the past 4 financial years

The linear graph above indicates the overall performance in percentages for 2023/2024 in comparison with the previous financial years. It can be noted that administrative and political stability play a huge role in organizational performance and that has a direct effect on service delivery. Taking into consideration performance of previous financial years such as 2020/2021, 2021/2022 and 2022/2023, it can be noted that there has been a steady rise in overall performance percentage on years where the Municipality had appointed an Accounting Officer on a fixed term basis compared to years whereby there was no administrative stability. There has been a slight increase in performance during the year in question with overall performance sitting at 81,1% compared to 70% in the 2022/2023 financial year. This indicates a steady increase in performance of 11,1%.

## Performance Analysis per National Key Performance Area

### 4.1. KPA 1: Municipal Transformation & Institutional Development

The strategic objectives under this Key Performance Area are:

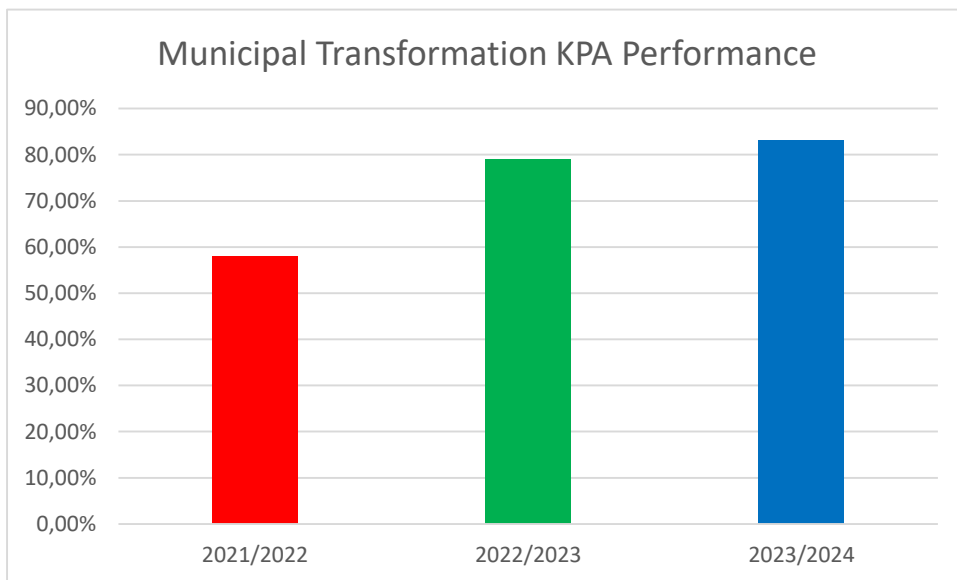
- To improve HR Policy Framework that is in line with the IDP and legislation and to ensure alignment of Organizational skills with the Organogram.
- To ensure an effective and Efficient Performance Management Culture within the municipality that enhances accountability. Time management and achievement of Service Delivery Targets
- To establish an efficient and effective ICT environment and infrastructure systems that will optimise business efficiency and productivity in line with IDP service delivery strategies
- To ensure effective and efficient administrative processes that enable delivery of services to our communities

- To ensure effective and efficient management of Municipal Fleet that is in line with service delivery objectives of the municipality
- To ensure effective and Efficient administrative processes that enable service delivery to our communities

Table 4.1 below illustrates the performance of the municipality under the Municipal Transformation and Institutional Development KPA.

**Table 4.1: Performance of Municipal Transformation KPA**

NATIONAL KPA	TOTAL KPI's	TARGETS MET	TARGETS NOT MET	TOTAL TARGETS MET %
Municipal Transformation & Institutional Development	6	5	1	83%



**Figure 4.1: Performance comparison for Municipal Transformation KPA**

Figure 4.1 above illustrates the performance of the institution under the KPA Municipal Transformation and Institutional Development. It is encouraging to take note of the increase to 83% from 79% in performance under this KPA in the previous financial year.

At a glance the challenges with this KPA are on a soft target that is the Training of Employees due to the non-functioning of the Human Resource Development Committee and the Local Labour Forum. Whilst the non-achievement of this target did not have a major impact with regards to the overall performance of this KPA, its impact on organizational development and performance as a whole is substantial. Management needs to rebuild their relationship with Labour and revive the Local Labour Forum that will also feed to the functionality of the Human Resource Development Committee.

There are Staff Regulations that required implementation with effect from July 2021, implementation of these regulations will pose a challenge for the municipality if Staff/municipal employees are not capacitated as Performance Management is not only meant to punish poor performance but also to reward and capacitate our employees. Capacitation of employees cannot be achieved if there is no relationship between Labour and Management as well as functional structures that play an impactful role in the training/capacitation of employees.

Whilst an ICT Assessment was conducted and implementation of its recommendations were met, ICT still poses a challenge within the institution. The Municipal Website was redesigned however there is no designated official that uploads legislated information and documents on the municipal as a result the municipality will be found non-compliant on a number of matters when comes to our Municipal Website.

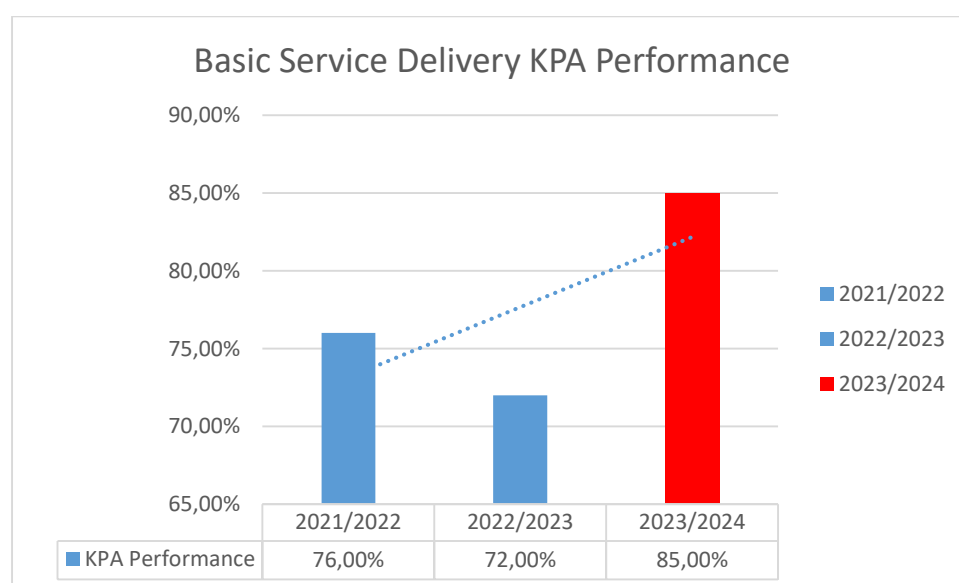
## 4.2. KPA 2: BASIC SERVICE DELIVERY & INFRASTRUCTURE DEVELOPMENT

One of the core functions of the municipality is to ensure provision, upgrading, and maintenance of infrastructure and services that enhances economic development. To ensure that Umdoni communities have access to energy sources by 2022 and beyond as well as ensuring that the Housing Backlog is eliminated.

Table 4.2 below indicates the performance of the Basic Service Delivery KPA

**Table 4.2: Performance of Basic Service Delivery KPA**

NATIONAL KPA	TOTAL KPI's	TARGETS MET	TARGETS NOT MET	TOTAL TARGETS MET %
Basic Service Delivery & Infrastructure Development	34	29	5	85%



**Figure 4.2: Performance comparison for Basic Service Delivery KPA**

Figure 4.2 above shows an increase in performance for Basic Service delivery KPA in year 2023/24 compared to 2022/2023 FY. this KPA achieved an overall performance percentage of 85% compared to 72% performance in the previous FY. This could be attributed to the stability within the Technical Services Department after the appointment of General Manager Technical Services in November 2023.

A number of reasons for variances has been noted for targets that have not been achieved under this KPA such as a breakdown for plant machinery that was anticipated to be utilized for the Stormwater system maintenance programme. A total number of 265 households were targeted to be electrified and whilst the municipality has done their part, the PMU Section is waiting for ESKOM to issue out a date for the energising of these households. The Department is encouraged to have engagements with ESKOM so that energising Households

can be fast tracked and the municipality can be a step closer to achieving their strategic objective of ensuring that Umdoni Communities have access to Energy by 2022 and beyond.

The fractured relationship between Labour and Management that was noted under the Municipal Transformation and Organizational development KPA also has direct impact on the Service Delivery KPA, and as a result of that fractured relationship Refuse Removal was not collected as anticipated during the financial year in question. Management needs to take a closer look at these matters that eventually hinder the realization of our constitutional mandate which is service delivery.

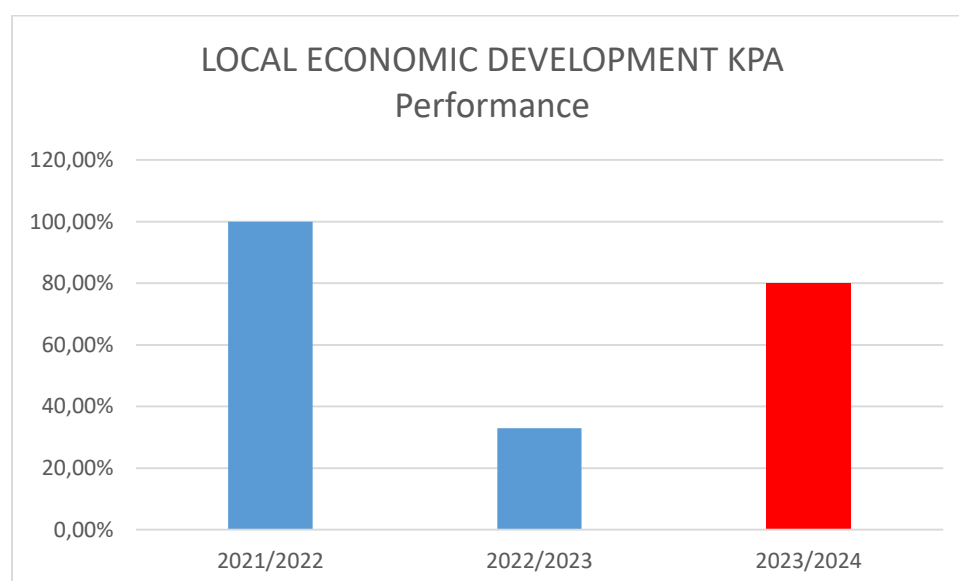
### 4.3. KPA 3: LOCAL ECONOMIC DEVELOPMENT

Strategic objectives of this KPA are to promote economic development in order to reduce poverty, inequality and unemployment whilst uplifting and providing support to SMMEs and Co-Operatives.

Table 4.3 below indicates the Performance of the Local Economic Development KPA.

**Table 4.3: Performance of LED KPA**

NATIONAL KPA	TOTAL KPI's	TARGETS MET	TARGETS NOT MET	TOTAL TARGETS MET %
Local Economic Development	10	8	2	80%



**Figure 4.3: Performance comparison for LED KPA**

Overall performance of the institution in the Local Economic Development KPA has seen an increase in achievement of set performance targets from a 33% in 2022/2023 financial year to 80% in 2023/2024.

Whilst the strides to enhance economic development within the area are noted, however it is difficult to measure if performance targets set under this KPA have an impact in the levels of unemployment, poverty & inequality within the Umdoni Local Municipality. However, the municipality did create 150 employment opportunities through the EPWP Grant albeit the employment being on a contractual basis. It is important to note that employment opportunities created in the previous financial year are higher than the year in question despite the municipality allocating internal funding on EPWP Programme and also the Grant funding having not decreased

from the previous financial year. Management is advised to strengthen reporting mechanisms under the EPWP Grant implementation to increase the municipalities chances to be allocated a higher Grant in future financial years. A status quo analysis and challenges under EPWP need to be identified so that remedial action plan can be developed and implemented. Revenue Collection is not only a function of the Finance Department but all user Department have a role to play in creating new revenue sources and increasing our revenue through grant allocations.

Moving forward the municipality needs to consider targets for this KPA that will link with strategies in place to uplift the youth of Umdoni as well as linking our SMMEs and Co-Operatives with our procurement processes through an incubation programme that will allow the upliftment of local suppliers, co-operatives, SMMEs and contractors so that we are able to measure and see the impact of our Local Economic Development office has in realizing our municipal vision. These type of programmes would also lessen interference by local business forum on projects on the ground and blockading of municipal offices.

The municipality also needs to look into providing support that will ensure that small businesses meet all the criteria for funding not only from the municipality but from other stakeholders such as NYDA, DTI etc. so that they can flourish and in turn reduce the poverty & unemployment rate of the municipality.

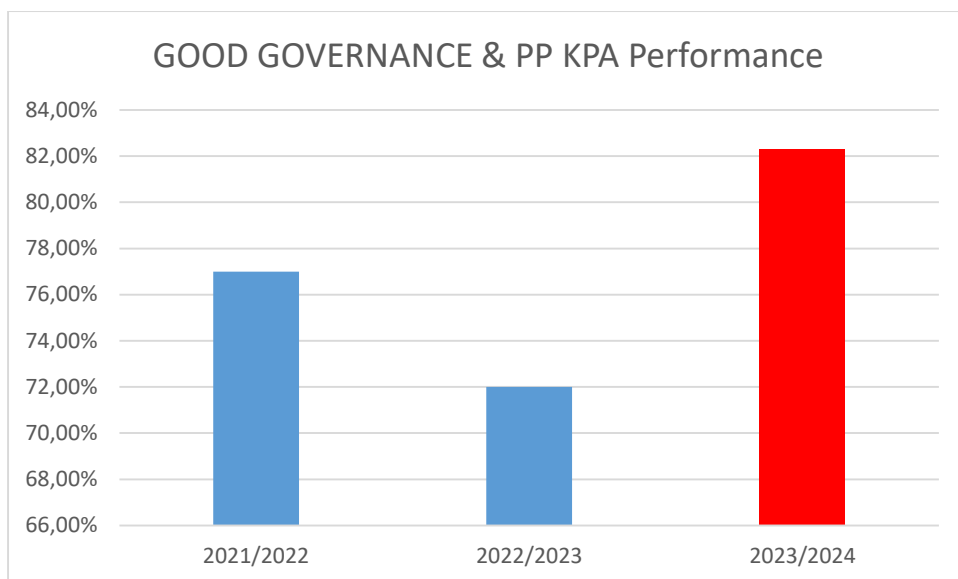
#### 4.4. KPA 4: GOOD GOVERNANCE & PUBLIC PARTICIPATION

The strategic objectives of this KPA is to ensure effective and efficient internal and external communication. To promote human rights and social upliftment of vulnerable groups. To ensure the effective oversight of Performance Audit Committee and Audit Committee.

Table 4.4 below indicates the performance of the Good Governance and Public Participation KPA.

**Table 4.4: Performance of Good Governance KPA**

NATIONAL KPA	TOTAL KPI's	TARGETS MET	TARGETS NOT MET	TOTAL TARGETS MET %
Good Governance & Public Participation	17	14	3	82,3%



**Figure 4.4: Performance comparison for Good Governance KPA**

Figure 4.4 above indicates that there has been an improvement in the achievement of performance targets in 2023/2024 financial year in comparison to overall performance of 72% in 2022/2023. Targets not achieved within this Performance Area are due to the reprioritization of financial resources redirected to other priorities such as Youth Development, Elderly and Vulnerable Groups programmes.

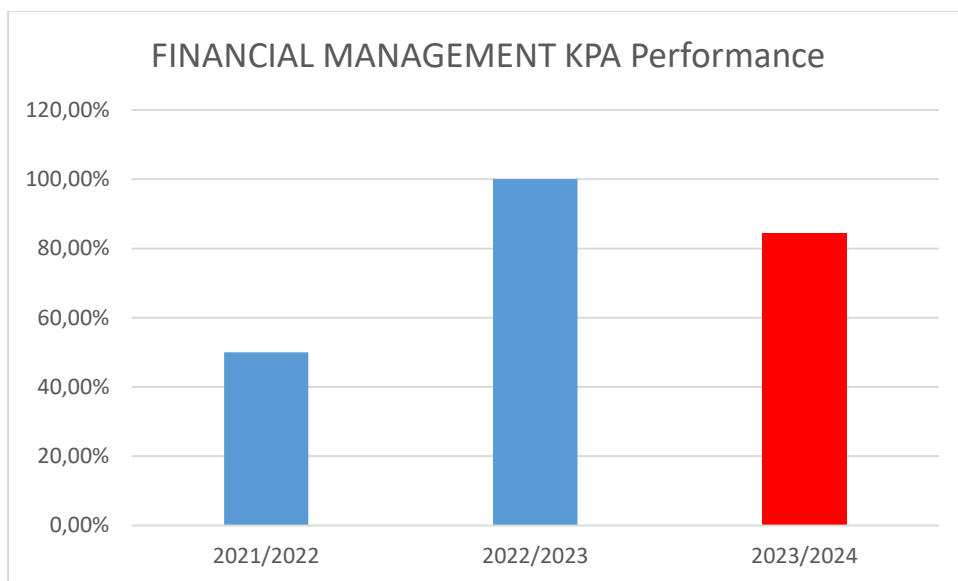
Under the communications unit a need for the establishment/appointment of communications champions within user departments would eliminate the non-submission of information by user departments during the IDP/Budget Roadshows as well as the publishing of internal and external newsletters. The need to train relevant officials on the upload of legislated information on the municipal website would eradicate the non-compliance mentioned under the challenges within ICT. There is also a need for an electronic complaints management system that would allow our customers the ability to receive responses timeously whilst being able to track at what level their complaints are being attended and progress.

### 1.5. KPA 5: FINANCIAL VIABILITY & MANAGEMENT

The strategic objective of this KPA is to ensure that the municipality is financially sustainable and practices sound financial principles.

Table 4.5 below indicates the performance of Financial Viability & Management KPA.

NATIONAL KPA	TOTAL KPI's	TARGETS MET	TARGETS NOT MET	TOTAL TARGETS MET %
<i>Financial Viability and Management</i>	13	12	1	92,3%%



**Figure 4.5: Performance comparison for Financial Management KPA**

Figure 5.5 illustrates a decline in achievement of set performance targets from 2022/2023 financial year with a percentage of 100% to 92,3% in 2023/2024. However, there are challenges of loss of revenue that can be noted within this KPA especially with the utilization of Scottburgh Town Hall as temporary accommodation for community members. The development of Revenue Enhancement Strategy however is not reliant on the Finance department only, user departments play a major role in a revenue enhancement strategy whilst finance can only play a facilitation and co-ordination role.

Another non-achievement that can be noted within this KPA is the non-payment of creditors within 30 days of receipt of invoice. Management needs to develop and implement a strategy to ensure compliance with regards to the payment of creditors within a prescribed period of time.

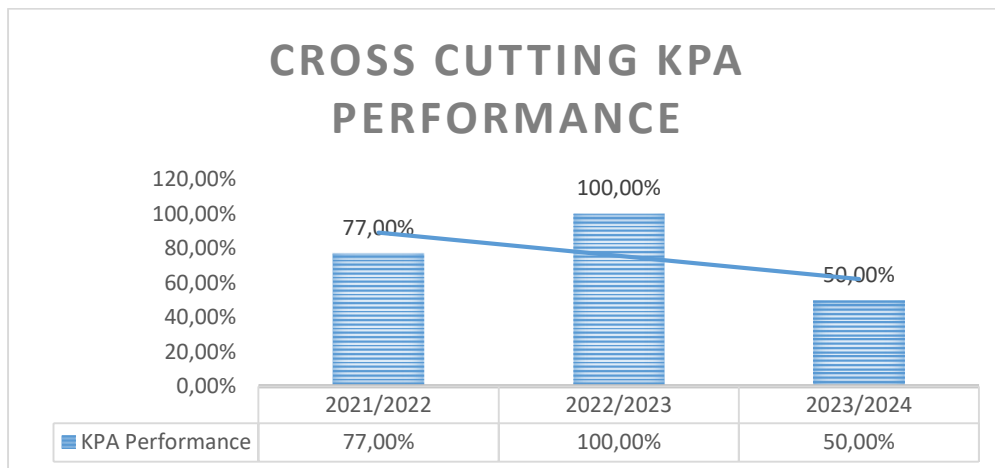
#### **1.6. KPA 6: CROSS CUTTING INTERVENTIONS**

To facilitate an integrated approach towards planning for urban and rural communities. To Monitor and manage proposed buildings and buildings under construction

The table below indicates the performance of the Cross Cutting KPA.

**Table 4.6: Performance of Cross Cutting KPA**

NATIONAL KPA	TOTAL KPI's	TARGETS MET	TARGETS NOT MET	TOTAL TARGETS MET %
Cross Cutting Interventions	4	2	2	50%



**Figure 4.6: Performance comparison for Cross Cutting KPA**

Figure 4.6 above illustrates a decline in performance and achievement of performance targets within the Cross cutting KPA. With a performance rate of 100% in the 2022/2023 compared to 50% in the 2022/2023 financial year. This could be attributed to the instability within the Planning & Development Department due to the employment contract of the GM having come to an end in November 2023.

Reason for variance that caused the poor performance under this KPA are the non-review of our Municipal SDF that is not SPLUMA Compliant. Our non-complaint SDF not only has impact on this KPA but also on the Local Economic Development and Service Delivery KPA. Without a compliant SDF our IDP credibility scoring is affected, the municipality is unable to develop a Capital Investment Framework that would provide confidence and attraction of potential investors to our municipal area which would in turn improve our revenue base.

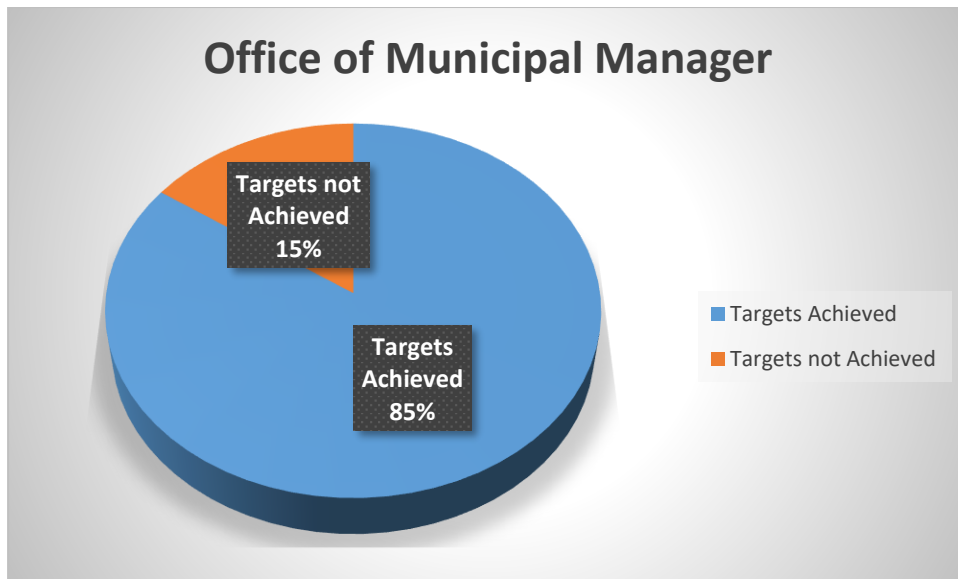
Management during the adjustment budget period needs to consider lobbying for funding with our Council for the review of our SDF so that it can be adopted with the IDP.

## **2. ANNUAL DEPARTMENTAL PERFORMANCE INFORMATION**

### **5.1. Office of the Municipal Manager**

No of Targets	Targets Achieved	Targets not Achieved
13	11	2





The performance of the Office of the Municipal Manager for the year under review can be seen on the diagram above. OMM achieved 84,6% of planned targets.

There are still capacity challenges within the Internal Audit and IDP/PMS Sections with only Manager positions being filled in these sections whilst positions of Officers are vacant. This causes non-compliance with legislated timeframes and non-implementation of all planned audit projects. Such vacancies are not only prevalent in the Office of the Municipal Manager but in some other user departments as well. This shows a gap between planning and the development of the organogram. To fill this gap there is a need for a work study that will determine skills that already exist, skills that are in shortfall therefore dictating the review of our organogram, skills development plan as well as the prioritization of vacancies to be filled that would improve service delivery.

### OMM Performance Highlights

- Conducted 4 mayoral radio slots
- Published 2 External Newsletters
- Conducted 3 Media Briefings
- Conducted 18 IDP/Budget Roadshows
- Conducted Golden Games
- Conducted Disability Trainings
- Training of Youth
- Conducted Gender Based Violence Awareness Programmes
- 300 Young Women attended Umkhosi Womhlanga
- Hosted Disability Talent Show
- Implementation of Operation Sukuma Sakhe Programmes

### Performance Challenges

- Employee and community protests caused challenges in the implementation of other special programmes that were planned for the end of the financial year.

## 5.2. Corporate Services

No of Targets	Targets Achieved	Targets not Achieved
6	5	1



Illustrated on the above chart is the performance of the Corporate Services department for the financial year 2023/2024. Corporate services had a total of 6 targets with 5 achieved and only 1 not achieved. This department provides a support function for other user departments within the municipality. There are capacity challenges within user departments with number of vacancies on the organogram not filled and that is due to the non-finalization of job descriptions. That affects the provision of services to communities in an effective manner.

Non functionality of the fleet management committee may see car accidents not reported timeously with our insurances and might cripple the unit regarding the availability of vehicles to conduct service delivery tasks for employees. Some measures to mitigate risks within the Fleet Management section can be noted such as the installation of tracking services in the vehicles that would enable the municipality to monitor not only fuel consumption but the abuse of municipal assets.

At a glance the challenges with this KPA are on a soft target that is the Training of Employees due to the non-functioning of the Human Resource Development Committee and the Local Labour Forum. Whilst the non-achievement of this target did not have a major impact with regards to the overall performance of this KPA, its impact on organizational development and performance as a whole is substantial. Management needs to rebuild their relationship with Labour and revive the Local Labour Forum that will also feed to the functionality of the Human Resource Development Committee.

There are Staff Regulations that required implementation with effect from July 2021, implementation of these regulations will pose a challenge for the municipality if Staff/municipal employees are not capacitated as Performance Management is not only meant to punish poor performance but also to reward and capacitate our employees. Capacitation of employees cannot be achieved if there is no relationship between Labour and Management as well as functional structures that play an impactful role in the training/capacitation of employees

## Performance Highlights

- ICT Assessment
- Re-Designing of Municipal Website
- Procurement of 8 Fleet Vehicles
- Conducted Medical Check-Ups
- Health & Safety Assessments

### Performance Challenges

- Training of Employees

### 5.3 Technical Services

No of Targets	Targets Achieved	Targets not Achieved
25	22	3



The diagram and the table below indicate the performance of Umdoni service delivery department Technical Services for the 2023/2024 Financial year. It can be noted above that technical services had 25 performance indicators for the year under review and 88% of the planned targets were achieved whilst 12% of the planned targets were not achieved. Highlighted below are performance highlights and challenges experienced by this department on the year under review.

### Performance Highlights

- Appointment of GM Technical Services
- Rehabilitate 100% of 1.1 Kms of Hazelwood Road
- Maintained pavements and Stormwater Management Systems as per conditional assessment by 30 June 2024
- maintained 40% of Stormwater Management System
- Upgraded 40m of Steep Hills from Gravel to Concrete
- Re-gravel 100% of Myeza Road
- Upgrade 100% of Smolo Road from Gravel to Asphalt
- Develop and complete designs for the electrification of Households in Ward 11

- 260 Households Electrified
- Constructed and Completed 100% of KwaMpondondo Sportfield
- Constructed 70% of Mandlalathi Community Hall
- Constructed 80% of Mgangeni Community Hall
- Re-gravelled 65% of Hlongwa Access Road
- Re-gravelled 65% of Vukaphi Access Road
- Re-gravelled 54% of Mphemba Access Road
- Re-gravelled 100% of Shange Access Road
- Re-gravelled 100% of Hazelwood area (gravel road)
- Re-gravelled 100% of Mphemba Access Road
- Rehabilitated 100% of Bushy Grove Road

#### **Performance Challenges**

- Non maintenance of Stormwater Management System due to machinery breakdown
- Poor Refuse Collection due to employee and community protests

#### **5.4 Community Services**

<b>No of Targets</b>	<b>Targets Achieved</b>	<b>Targets not Achieved</b>
13	10	3



Diagram and table above illustrates the performance of community services for the 2023/2024 financial year. It can be noted above that community services had 13 performance indicators and 10 were achieved by 30 June 2024 whilst 3 remained non-achieved. Listed below are the performance highlights and challenges experienced by community services for the year under review.

#### **Performance Highlights**

- Beach Clean-Up Campaigns
- Maintenance of 1 Community Hall
- Maintenance of Tidal Pools
- X9 Water Testing conducted
- Maintenance of Pool Pumps
- Maintenance of Verges
- Conducted Tree Felling and Maintenance of Municipal Sites
- Maintained 1 Library

#### **Performance Challenges**

- Targeted number of community halls, Sportfields and libraries to be maintained not achieved due to BOQs being completed in May 2024 by the PMU Section.

### **5.5 Planning & Development**

No of Targets	Targets Achieved	Targets not Achieved
14	10	4



The diagram and the table above illustrate the performance of Planning & Development Department for the financial year 2023/2024. It can be noted that for the year under review Planning & Development had 14 targets and 10 targets were achieved whilst 4 were not achieved as planned. Below is the performance highlight and challenges experienced by planning & Development for the year under review.

#### **Performance Highlights**

- Clear 13000m<sup>2</sup> of privately owned vacant sites of bushes & weeds
- Transfer of 100% of the TC Robertson's Nature Reserve monthly grant

#### **Performance Challenges**

- Review of SDF
- Approval of Development Applications within 90 Days

### **3. Improving Performance**

- Revival of Human Resource Development Committee and LLF
- Monthly reporting of SDBIP Implementation to Manco & Council Portfolio Committees;
- Coaching & Mentoring Programme for Middle Managers to improve performance;
- Training and sourcing of additional capacity where skills and capacity shortages are identified, service delivery departments prioritized for skills development and filling of vacant positions;
- Development of departmental operational plans to guide performance in each department;
- Development of departmental procurement plans that are aligned to the budget and SDBIP to ensure that procurement processes for programmes commence timeously.

## SECTION B: ASSESSMENT OF SERVICE PROVIDERS

### Umdoni Assessment of the performance of External Service Providers Template for 2023/2024 Financial Year

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

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

Name of external Service Provider	Date Contract Awarded	Service provided in terms of the SLA	Assessment of Service Providers Performance		
			G	S	P
Fidelity Cash Solutions	2023/03/15	Cash In transit Services			
The Document Warehouse	SLA was reviewed in January 2023. An Addendum Clause was addressed (1.1.7 & 6.1). Set charge for storage	Storage and Safekeeping of Municipal Records (Cloud Service, Scanning etc.) Storage was charged for material and records that were already secured at Document Warehouse for the past 20 years.			
FRAMA (Pty) LTD (Framalink RMS Systems)	Long Standing SLA in consultation with SA Post Office	Franking Services of out material that has to be posted for the entire Municipality. Servicing of the Franking Machine.			
SA Post Office Limited	Sole Service Provider for the Entire Country (Parastatal)	Postage Services, Registered Post, Courier Services etc. for the entire Municipality			
GG Accountants	June 2023	Auditing of Supply Chain Management Processes and Revenue			
Simandlovu Trading Cc/ Reggie Civils	2023/05/25	Construction Of Mandlalathi Community Hall			
Ackin Investments 2108 Cc	2023/04/14	Upgrade Of Smolo Road			
Sholo Trading Enterprises	2023/06/07	Construction Of Mgangeni Community Hall / Reggie Civils(5093368.08)			

Name of external Service Provider	Date Contract Awarded	Service provided in terms of the SLA	Assessment of Service Providers Performance		
			G	S	P
Ubumbano Lwamangcolosi	2023/05/10	Upgrading Roads 7.8.9.11			
Ubumbano Lwamangcolosi	2023/05/10	Repairs And Maintenance Of Scottburgh Ablution			
Ndlumbi Trading	2023/04/19	Maintenance Of Roads In Ward 1.2.3 & 19			
Ndlumbi Trading	2024/01/10	Operation And Maintenance of Humberdale Landfill Site			
Ingedla Trading	2023/05/22	Maintenance Of Roads In Ward 14.16.17 & 18			
Viola Ramsook Attorneys	2023/09/22	Debt Recovery			
Matthew Francis Inc - Debt Recovery	2023/07/04	Debt Recovery			
Matthew Francis Inc - Rate Payers	2023/07/04	Rate Payers Association			
Shepstone & Wyle	2023/07/04	Debt Recovery			
Electromaster	2023/11/30	Service And Maintenance Of Swimming Pool Pumps			
Gingordin Methods Trading	2023/12/07	Supply And Delivery Of Uniform & Personal Protective Equipment For A Period Of 3 Years - Fire & Disaster			
Kayosi Trading	2023/12/06	Supply And Delivery Of Uniform & Personal Protective Equipment For A Period Of 3 Years - Beach Lifeguard			
Clean Spot Solutions	2023/12/04	Panel of Ppe - General Workers			



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

It should be noted that the Draft 2023/2024 Annual Financial Statements attached as Volume II to the Annual Report are unaudited as the Auditor General has not concluded their audit and have not issued an Audit Report to the Municipality.