Annual Report

2013/2014

"Together we move uMhlathuze forward"

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MAYOR'S FOREWORD

INTRODUCTION

It is that time of the year wherein we must take stock of the path that we have travelled as Council, this means that we must categorically analyse and consider the gains we have made in improving the lives of our ordinary citizens and unpack the challenges we have been confronted with in the past financial year. It is therefore critical to appreciate that there is a lot we have achieved since taking over the leadership of the Municipality in 2011.

However in doing so we must appreciate that the legacy of apartheid which was entrenched by the systems over a period of more than 300 years can never be achieved over night. Colonialism and apartheid left our people with glaring scars of inequality poverty and unemployment however we must commend our young democracy for having drastically improved the quality of life for our people in less than 20 years.

Legal Framework

The law enjoins to ensure that municipalities to ensure that communities play an active role in the in the affairs of local government and that resources are spent sparingly, equitable and in a sustainable manner. I can indeed safely say that the Municipality has indeed be able to transform from the principle of separate development that was implemented by the apartheid government. Today the budget of Council is spent equitable to all its areas of jurisdiction without a consideration of class or race imperatives.

We have since put in place measures to ensure that the Municipality is financially viable. We will continue to fight against any form of corruption and maladministration. we are working tirelessly in ensuring that we reduce legal disputes between Council and tenders. This will however require a commitment between both government and the private sector.

Service delivery

Water, electricity and sanitation

Having realised the continued challenges relating to the Municipal water supply Council engaged in a process of identifying the cause of such challenge and to that end a budget was set aside to replace the aging infrastructure. We also noted the reports relating to the increase of water losses within the City and to that end we are in a process of installing water meters in all the households within the City.

We have also been working tirelessly in ensuring that all households have toilets so that we do not end up with a challenge of the bucket system in our Municipality. We are pleased to announce that RBM has injected a budget of about 9 million to address the issue of water in the area of Kwa- Dube as part of ploughing back to the community.

Housing projects

We have built more than 4000 low cost and rural houses in all our traditional councils and we are on cause in ensuring that we eradicate the housing shortage in our City. This project was established by government to restore the dignity of our people who were displayed for many years. We have noted challenges in Kwa- Khoza and our team is working tirelessly to address the issue.

Roads

We have built many access roads in rural areas and maintained the existing roads in our townships and urban areas. We are also pleased that our partnership with RBM in kwa- Dube is yielding results I can confirm that a budget estimated at 45 million has been set aside to construct the road leading to the village.

Education and training

The introduction of the Annual Mayoral Charity Golf tournament is one of the critical initiatives aimed at addressing the issue of illiteracy and skills shortage in our City and we believe growing this annual event will indeed improve the quality of life for our people and help in eradicating the triple challenges facing our society. The amount generated from this tournament is and will continue to be used to pay for the education of financially needy and academically deserving students. We are pleased to announce that we have entered into a partnership with RBM in addressing the skills shortage in our City. We are closely monitoring the implantation of the MOU we signed with the Umfolozi FET aimed at addressing the skills issue.

Economic transformation

We have indeed noted that democratic freedom without economic freedom will never release our people from the bondages of poverty, inequality and unemployment. In this regard we have heeded the clarion call for radical economic transformation made by the President. We are working around the clock to harness private business to come and invest in the City. Our Municipality contribute immensely to the GDP of the Province. The City is one of the fastest growing cities in the Country and we are a gateway to the neighbouring Countries such Mozambique and Swaziland. We will continue to invest more on tourism and hospitality.

Clean governance

I must appreciate the excellent work from by the administration in ensuring that we get a clean audit, we must continue to ensure that we preserve the hard work that we have put in this regard. The barometers to measure whether a government is successfully executing its mandate are through service deliver, responsiveness and clean governance. We will continue to improve our tender system and general supply chain processes. The issue of our failure to spend our budget remain a major cause for concern and we will work hard in monitoring performance in this regard because our failure to perform has an adverse effect on service delivery.

Conclusion

We are a City in the move and we are working tirelessly to move it forward within the limited resources we have. I call upon the administration to improve and turn the situation around. I also call upon all our social partners to join hands with us in our quest to move the City forward. Our City is indeed alive with possibilities and together we can do more to transform our economy and better the lives of our people. Unity and cohesion of the Municipality is sacrosanct and we must put all stops in preventing any form of disunity. We must continue to play our oversight role diligently with a high degree of the respect of the rule of law and the constitution of the republic.

May God bless Africa

MUNICIPAL MANAGER'S FOREWORD

As it is always the case every year, we are at the time of the year where we have to report on our performance as the municipality. This was a very busy year for everyone because it coincided with the election year. As political leadership went out on a campaign trail, they came back with some very important feedback from the communities on matters that needed attention. One can then say, the oversight role was even stronger this financial year and everyone had to really come to the party on service delivery matters. I am happy to say that as administration we did our best to do what we are employed to do. Capital Expenditure still remains a challenge but this will not be allowed to continue forever.

Generally speaking the municipality continued to perform well. We won some very important awards. We got position No1 for KZN-Govan Mbeki Awards for Human Settlements for Overall Level 2 Accredited Municipalities and No1 for Hostel Programme. We hope to get even better in housing delivery programme, which is one of the key priority areas that our government promised the citizens of this country. I am also happy that our water pipe replacement project is nearing the end. We can now to a greater extent guarantee to quality of water supply to the majority of the people. There are other inherent risks relating to historical design that still need to be dealt with.

We also got three green drops for our water treatment plants. Even in the two plants where we did not get a green drop, we missed it by less than one point. This is a great achievement. In simple terms, it means the affluent that we discharge back into the streams, is properly treated, it is clean and we do not pollute the environment. It must be added that the three green drops are achieved against the backdrop of two blue drops that we already have in our water treatment plants. Ours now is to maintain that high standard.

On the financial front, this has been a very good year as well. One only needs to go back to 2011 which was the start of this current councils term. At the end of that financial year, Council only had R32 Million but at the 2013/2014, the Municipality had R404 Million in the bank. That is quantum leap by any stretch of imagination. In 2009 the Municipality had a deficit of R16.8 Million, in the last financial year we had a deficit of R51 Million. I am happy to report that for the first time the Municipality had a surplus of R209 M

After a very gruelling assessment during budget review process, National Treasury came to the conclusion that our budget is **Credible,** realistic and indicative of multi-year budgeting and there is evidence of sufficient political oversight as well as public participation. They further concluded that our budget is **Relevant** and demonstrated a good alignment between the 2014/15 draft budget. Most importantly it is **Sustainable** and it indicates that there are no institutional risks in the municipality in the short and long term. It is against this backdrop that one can conclude that the municipality is stable and is ready to go reach greater heights. We aspire to be one of the best municipalities.

CHAPTER 2

INTEGRATED DEVELOPMENT PLAN

A. BACKGROUND

The Final 2013/2014 adopted IDP of uMhlathuze Municipality signified the start of the third uMhlathuze's five year IDP cycle (2012-2017). The ultimate objective within each cycle remains the improved implementation of the said dispensation's five-year strategy, as well as ensuring improved responsiveness to community needs over the time. The aim of the new 5-year IDP for the City of uMhlathuze was to present a coherent plan to improve the quality of life for people living in the uMhlathuze area, also reflecting on issues of National and Provincial importance. One of the key imperatives was to seek alignment with National and provincial priorities, policies and strategies.

The new leadership after the 2011 Local Government Elections had emphasized that, it is imperative that, as the municipality stride towards the next five years of planning and development, from 2012/2013 to 2016/2017 financial year; it remain mindful of the fact that foremost purpose of the IDP is indeed to map out the core issues that affect the people and to collectively concur on the manner in which each one of those aspirations will be addressed. It is in this context that the City of uMhlathuze's leadership believes that the IDP has to be construed and applied.

In the preceding financial years numerous achievements in infrastructure development were made in a bid to address the critical backlogs on basic services that were raised by many of our communities in the IDP. It can be reported in this regard that the municipality has progressed in terms of development. This is confirmed by the constant outstanding performance of the municipality through audit reports and the service delivery level. It can be mention in the same vein that whilst it is noted, the progress that has been made, we recognize that more work still lays ahead in terms of addressing all the needs and expectations of the community.

In this regard it remains critically important that the organisation remain conscious of the fact that it cannot be business as usual. The people have waited for so long for the services that they require not to be wealthy but to survive. Accordingly uMhlathuze Municipality has taken the Turnaround Strategy for local government literally. We have to report in this regard that the City has structured its Budget and IDP in a manner that will ensure that indeed we turn around our business models consistent with the national guidelines and provincial priorities to ensure that we hasten the pace of service delivery in our communities.

B. LEGISLATIVE PROCESS AND COMPLIANCE

All legislative requirements and timeframes in respect of the IDP Process plan and in terms of the Municipal Systems Chapter 5 section 32 (review & adoption) and submission of the 5 year IDP were successfully complied with, and the Final IDP for 2012/2013 was adopted in June 2012, by uMhlathuze Council.

The City of uMhlathuze remains one of the municipalities with most improved integrated Development plan within the Province, hence uMhlathuze's IDP is still compiled 100% in house, and it's compiled according to the Guidelines provided by COGTA, and MSA requirements.

The third cycle of IDP is more outcome base, since it considers the District Legotla's outcomes, the State of the Nation Address (SONA) by President Zuma, the State of the Province Address, (SOPA), Provincial Spatial Economic Development Strategy (PSEDS), Municipal Turnaround strategy (MTAS) and other national and provincial programs that impact on the planning and development in local sphere. The importance of developing outcome base IDP it is to ensure that planning is done in a coordinated manner, that we as a local municipality do not plan in silos but consider the rest of the country's initiatives towards development, because a significant change in uMhlathuze is a change in the rest of South Africa statistically.

The South African Constitution is underpinned by principles of good governance, also highlighting the importance of public participation as an essential element of successful good local governance. Section 152 of the Constitution of the Republic of South Africa, 1996 confirms a number of citizen rights and more specifically, the rights of communities to be involved in local governance. Further to that Chapter 4 of the Municipal Systems Acts provides for the involvement of communities in the municipal affairs, hence More than twelve consultation meetings were conducted (during September – November 2012), to engage with communities on their priority issues, and to ensure that they participate in the initial stage of the development of the IDP. Further all stakeholders have been involved in the development process, following stakeholders meetings that were held.

All meetings and notices were advertised on the Zululand observer, as per MSA , Chapter 5, Sec 28 (3), the process plan, the draft IDP and the final IDP were advertised for community inputs.

C. STRATEGIC PLAN – STRATEGIC FRAMEWORK

The Local elections that took place in May 2011 changed the configuration and composition of uMhlathuze Council. They brought in new players at political level; the new and old became one part. Given the development coupled with the commitment to improve and effective service delivery. A need arose for a strategic planning workshop, which was held in June 2012 prior to the adoption of the IDP. The inherent factors and exogenous challenges facing the City of uMhlathuze necessitated an integrated approach to transforming organisational performance.

Below is the new Strategic Framework as confirmed by councilors in a strategic planning of the municipality. These priority issues are informed by various critical imperatives these include, National Priorities, Provincial Priorities, Provincial Growth and Development Strategy, uThungulu District Priorities and 09 February 2012 State of the Nation Address

2013/2014 IDP Strategies

Development Strategy 1: GOOD GOVERNANCE

Goal/s: Ensure compliance and implementation of legislations, policies, resolutions and programmes of Provincial and National in performing functions and duties

OBJECTIVES:

1. Provide transparency to the community and stakeholders regards any developments in the municipality
2. Ensure an appropriate municipal structure is in place with distinctive functions and responsibilities for ease in carrying out the constitutional mandate
3. Apply legislative compliant land sale & lease policies
4. Ensure legal vetting of contracts to avoid ambiguity
5. Ensure alternative arrangements for delivery of services during industrial strike action
6. Apply the Fraud, Corruption, Theft, Misuse and Damage to Council Property Policies

Development Strategy 2: INFRASTRUCTURE & SERVICE DELIVERY

Goal/s: Development of an environmentally friendly, efficient and integrated City with sustainable municipal infrastructure provision and service delivery

OBJECTIVES:

1. Promote sustainability through timeous planning, implementation and monitoring
2. Support/ encourage proactive planning & decision making for the provision, upgrading & maintenance of infrastructure for growth & investment attraction
3. Strive to enhance service levels through effectiveness and efficiency and always maintaining high quality standards
4. Develop an Asset Management Policy, Strategies, Infrastructure Asset Management Plans, Comprehensive Systems & Infrastructure Asset Management Registers
5. Promote integrated and efficient land development s in both rural and urban areas in terms of Land Development Principles
6. Hierarchy of development plans to be informed by guidelines for land use management
7. Undertake housing development in terms of Sustainable Human Settlement requirements
8. Vigorously promote higher density developments to increase revenue base
9. Support environmentally sustainable developments
10. Improve and promote public transport such that land transport planning is integrated with land development plans to enhance the functioning of the City

Development Strategy 3: SOCIAL AND ECONOMIC DEVELOPMENT

Goal/s: To create opportunities through economic growth and development to increase economic stability by creating new functional linkages with other economic activities

- To promote social cohesion and the creation of a safe and healthy living environment

OBJECTIVES:

1. Create an enabling environment to grow and become locally and globally competitive
2. Development of priority nodes and corridors for growth and economic development
3. Facilitate and guide the Informal and SMME development
4. Stimulate economic growth through strategic economic interventions
5. Promote and encourage exceptional and unique developments for attractions using our strategic advantages to draw tourists and to grow our tourism sector
6. Provide appropriate and valuable social facilities within communities catering for various
7. Promote the development and management of a clean, safe, secure and friendly City for people to work, live and play

Development Strategy 4: INSTITUTIONAL DEVELOPMENT

Goal/s: Establishment and maintenance of an environment characterised by the development of skills for all personnel(workers & management), to have a properly structured employment equity process that will benefit the organisation including sound labour relation practices as well as enhanced employment standards underpinned by employee rights

OBJECTIVES:

1. Create a safe clean working environment
2. Create a positive and attractive organizational climate for the attraction of critical skills and for the retention of skills
3. Promote the well-being of the employee, their development and growth path
4. Promote working smart and keeping abreast with new legislation
5. Acquire and Implement innovative Information Management System/s for better planning, decision making and management

Development Strategy 5: S0UND FINANCIAL MANAGEMENT

Goal/s:

Sustainable, sound and sustainable management of the fiscal and financial affairs of the municipality

1. Ensure that Financial Planning, Budgeting & Expenditure aligns with the priorities of the current IDP
2. Improve communications with user departments on roles & responsibilities regarding financial management
3. Ensure accurate & timeous revenue budget input data
4. Ensure that a GRAP compliant fixed asset register is maintained
5. Ensure the optimization of regulatory & sundry income
6. Ensure over a 5 year period the municipality has in place cash-backed statutory reserves as well as a working capital reserve equal to two times the average monthly financial commitment
7. Maintain high levels of Credit Control & Debt collection
8. Review SCM policy & ensure adherence to policy
9. Ensure status of internal controls is reliable, compliant & continuous
10. Ensure compliance & quality of grant reporting (S71) is maintained to ensure complete spending
11. Provide assistant to Technical Services Department to identify possible electricity & water tampering & losses in order to ensure that accurate consumptions are recorded

CHAPTER 3

SERVICE DELIVERY PERFORMANCE

ORGANISATIONAL PERFORMANCE MANAGEMENT SYSTEM

1. Legislative requirements

Outlined in Section 40 of the Municipal Systems Act of 2000 (MSA), Municipalities must establish mechanisms to monitor and review its Performance Management System (PMS) so as to measure, monitor, review, evaluate and improve performance at organisational, departmental and employee levels. Section 34 of the MSA furthermore point out that the Integrated Development Plan (IDP) has to be reviewed on an annual basis, and that during the IDP review process the Key Performance Areas, Key Performance Indicators and Performance Targets be reviewed and this review will form the basis for the review of the Organisational Performance Management and Performance Contracts of Senior Managers.

The Municipal Planning and Performance Management Regulations (2001) stipulates that a "municipality's performance management system entails a framework that describes and represents how the municipality's cycle and processes of performance planning, monitoring, measurement, review, reporting and improvement will be conducted, organised and managed, including determining the roles of the different role-players" (Chapter 3, Section 7, Municipal Planning and Performance Management Regulations, 2001).

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

"Annual performance reports

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

(a) the performance of the municipality and of each external service provider during that financial year;

(b) a comparison of the performances referred to in paragraph (a) with targets set for and performances in the previous financial year; and

(c) measures taken to improve performance.

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

2. Introduction

The first performance management framework was adopted by the uMhlathuze Municipality on 28 May 2002. The framework was reviewed and amended during 2006/2007 financial year to align with the best practice guidelines suggested by the then Department of Provincial and Local Government and Traditional Affairs of Kwazulu-Natal.

The Performance Management function of uMhlathuze Municipality was previously outsourced to an external service provider and Council resolved during the 2009/2010 financial year to create an internal Performance Management Unit within the Office of the Municipal Manager. The Performance Management unit was capacitated during the 2010/2011 financial year as from 1 October 2010 by the appointment of two permanent employees, i.e. one post of Manager: Performance Management and one post of Performance Management Specialist. During the 2010/2011 Financial year. The Performance Management Unit prepared a new Performance Management Framework and Policy which was adopted for 2011/2012 financial year by Council item RPT 150202 and policy on DMS 692062.

The Performance Management Framework and Policy was reviewed during the 2013 and adopted by Council resolution 8593; item RPT 152031 and is available on Councils official website (www.umhlathuze.gov.za under the "Performance Management" link).

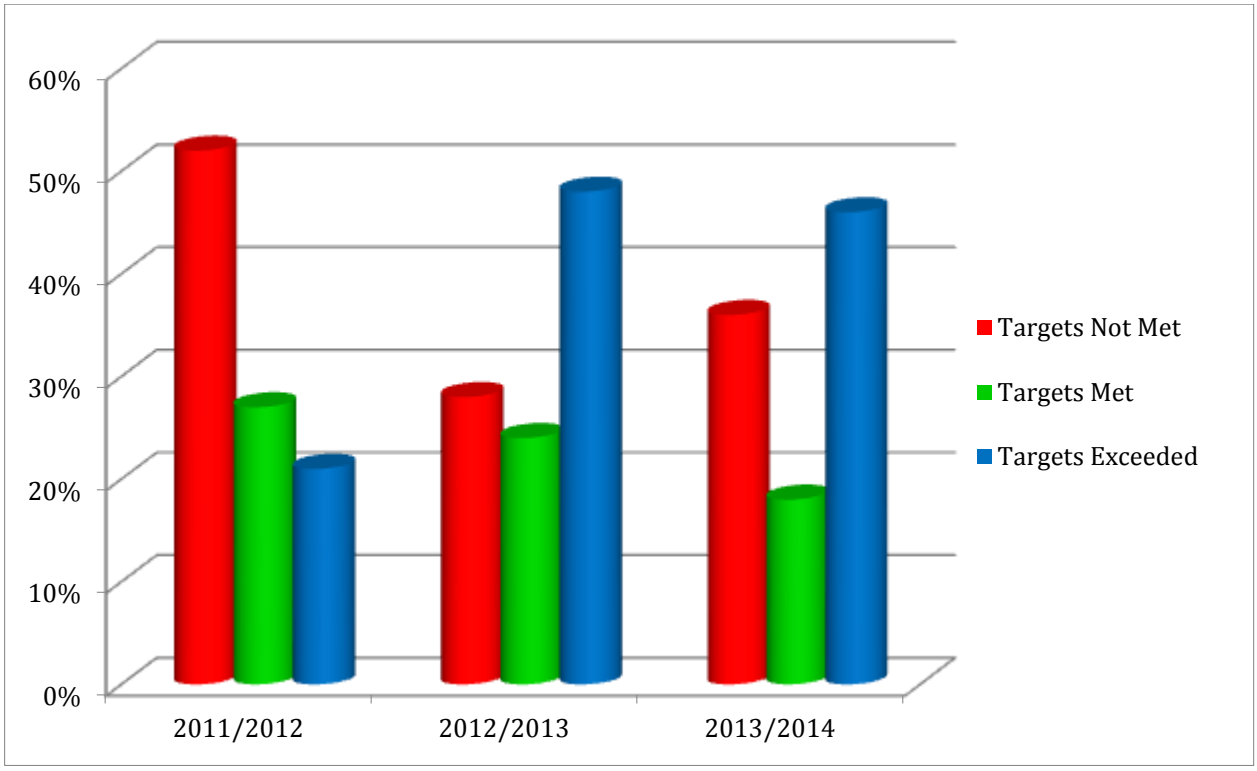
The Draft Annual Performance Report highlights from the key performance measures included in the Integrated Development Plan (IDP) for the 2013/2014 financial year. These priority measures constitute the Organisational Performance Scorecard for 2013/2014.

At the end of quarter 4 (April to June 2014), 64% of priority performance measures have been met or exceeded the year-end target. Areas for improvement are shown in the Organisational Performance Scorecard for 2013/2014. Accountable officers have provided commentary to put performance into context and identified actions that they are taking to address under performance.

In 2013/2014 performance has slightly declined when compared with 2012/2013. It is worth noting the impact of factors such as budget and staff retention whilst continuously increased demand for services putting pressure on achievement of challenging targets. Ultimately the municipality has achieved savings for the financial year, maintained good levels of service delivery (as demonstrated through comparative information) and seen increased levels of satisfaction across a number of services.

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

The following chart compares overall performance for the 2013/2014 financial year with performance achieved during the two previous financial years, 2011/2012 and 2012/2013 financial years respectively:

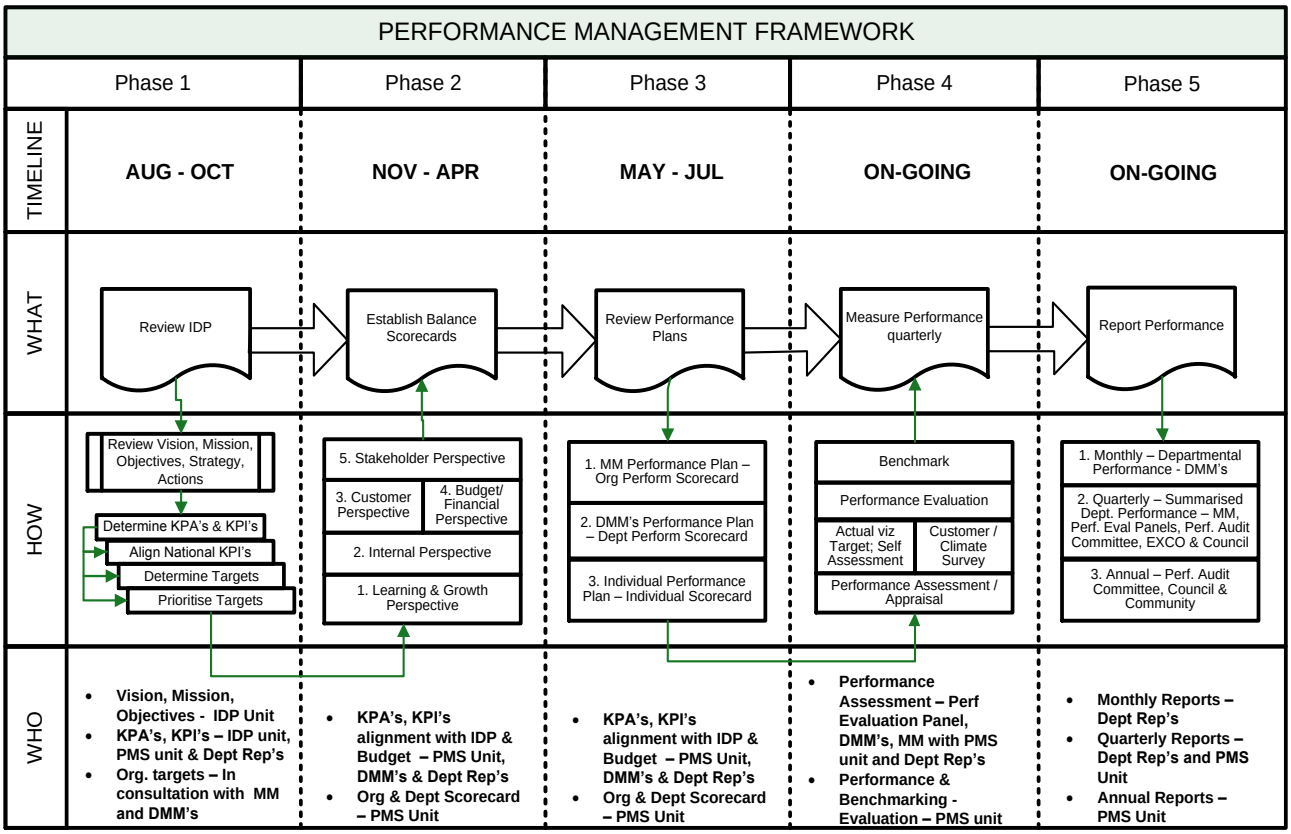


3. Organisational Performance Management Process

Key performance indicators have been refined in support of the municipality's development priorities and objectives as set out in the revised IDP framework (aligned with the organizational structure and Council's priorities) for the new five year IDP period to ensure consistency in measuring and reporting on long terms strategies and projects. Measurable performance targets with regard to each of these development priorities and objectives were established and are reflected on the 2013/2014 OPMS Scorecard. A process to ensure regular reporting is in place and gets reported quarterly to the Council via the Performance Audit Committee.

Individual performance agreements and performance plans were prepared in line with provisions prescribed in the Performance Regulations (Notice 805, published on 1 August 2006 in the official gazette) and signed by the Municipal Manager and Deputy Municipal Managers (Heads of Department). These agreements are fully implemented and aligned with the Service Delivery and Budget Implementation Plan as required in terms of the Municipal Finance Management Act (No 56 of 2003)

The following diagram illustrates a summary of the newly developed performance management framework for the City of uMhlathuze for performance measurement and reporting, adhering to the guidelines suggested by KwaZulu-Natal Province, Department for Cooperative Governance and Traditional Affairs:



uMhlathuze Performance Management Framework diagram

4. Performance Audit Committee

The Performance Audit Committee was established in 2003 in terms of of Section 14(2) (a) of the Local Government: Municipal Planning and Performance Management Regulations of 2001 and membership changed of time. The Performance Audit Committee year was re-affirmed per Council item RPT 153287, Resolution 8377 on 26 February 2013. The appointment of the following members lapsed at the end of January 2014 after the annual report was adopted by the Council:

Mr P C Ooshuizen – Chairperson (external member)

Dr E M S Ntombela (external member)

Ms J J Sithole (external member)

Cllr E F Mbatha (Mayor)
Cllr N V Gumbi (Deputy Mayor)

Media advertisements were placed to seek suitable external members to serve on the Performance Audit committee for the period 01 February 2014 to 31 January 2015. The following members for the aforementioned period was confirmed by Council Resolution 9082, item RPT 155451 on 28 January 2014:

Mr P C Ooshuizen – Chairperson (external member)

Dr E M S Ntombela (external member)

Mr B S Ndaba (external member)

Cllr E F Mbatha (Mayor)
Cllr N V Gumbi (Deputy Mayor)

The Performance Audit Committee has met quarterly during the 2013/2014 financial year as follows:

Period	Date	Reference to	Reference to
Quarter 1	29 August 2013	RPT 54086	RPT 154556
Quarter 2	21 November 2013	RPT 1555176	RPT 1555177
Quarter 3	13 February 2014	RPT 155573	RPT 155574
Quarter 4	27 June 2014	RPT156330	RPT156331

The Draft Annual Performance was finally reviewed on 27 August 2014 to consider the reported annual performance achievements reported on the OPMS scorecard as well as the Performance Achievements reported in terms of the Service Delivery Budget Implementation Plan on the completed 2013/2014 financial year. The minutes of meetings are available on the GroupWise electronic document management system.

5. Performance Evaluation Panels

Performance Evaluation Panels have initially been established for the assessment of performance of the Municipal Manager as well as Managers directly accountable to the Municipal Manager per Council Resolution 4120 of 10 October 2006. The Performance Evaluation Panels were re-affirmed over time and subsequently again for the 2013/2014 financial year per Council Resolution 8733, item RPT 153287 on 26 February 2013 and again for the period 01 February 2014 to 31 January 2015 by Council Resolution 9082, item RPT 155451 on 28 January 2014.

Performance Assessment Panels for the assessment of Section 57 employees were established as follows:

For purposes of evaluating the annual performance of the municipal manager, an evaluation panel constituted of the following persons was established -

(i) Executive Mayor or Mayor;
(ii) Chairperson of the Performance Audit Committee or the Audit Committee in the absence of a Performance Audit Committee;

(iii) Member of the Mayoral or Executive Committee or in respect of a plenary type Municipality, another member of Council;

(iv) Mayor and/or Municipal Manager from another Municipality; and

(v) Member of a Ward Committee as nominated by the Executive Mayor or Mayor."

Clr E F Mbatha	Mayor/Chairperson
Clr N V Gumbi	Deputy Mayor
Mr PC Oosthuizen	Chairperson of the Performance Audit Committee
Clr T Mchunu	A Mayor from another Municipality (uThungulu)
Mr V N Khuzwayo	Ward Committee member (nominated by the Mayor)

For purposes of evaluating the annual performance of managers directly accountable to the Municipal Manager, an Evaluation Panel constituted of the following persons was established:

(i) Municipal Manager;

(ii) Chairperson of the Performance Audit Committee or the Audit Committee in the absence of a Performance Audit Committee;

(iii) Member of the Mayoral or Executive Committee or in respect of a plenary type Municipality, another member of Council; and

(iv) Municipal Manager from another Municipality."

Dr N J Sibeko	Chairperson
Clr N V Gumbi	Deputy Mayor
Mr PC Oosthuizen	Chairperson of the Performance Audit Committee
Mr M Nkosi	A Municipal Manager from another Municipality (uThungulu)

Formal Evaluation sessions were performed on 12 and 13 March 2014 covering the first two quarters of the 2013/2014 financial year on progress made at mid-year on performance targets set in terms of the respective performance plans in line with the Organisational Performance Targets set in terms of the Integrated Development Plan. Informal Evaluation sessions were performed on 29 and 30 May 2014, covering the period 01 January 2014 to 31 March 2014 of the 2013/2014 financial year. The final and formal performance evaluation sessions of the Municipal Manager and Managers Directly accountable to the Municipal Manager covering the completed 2013/2014 financial year were performed on 11 December 2014 to allow sufficient time for validation and auditing of information reported on the completed financial year. The minutes of all meetings are available on the GroupWise electronic document management system. The final performance evaluation results and scores were reported via the Performance Audit Committee to the Executive Committee and Council together with the submission of the 2013/2014 Annual Financial Statements and the 2013/2014 Annual Report in January 2015.

6. Auditing of Performance Information

The Municipal Systems Act, 2000, Section 45 requires that the results of performance measurements in terms of section 41 (1)(c), must be audited as part of the internal auditing process and annually by the Auditor-General. All auditing must comply with section 14 of the Municipal Planning and Performance Management Regulations, 2001 (Regulation 796).

Business Innovations Group has been appointed by uMhlathuze municipality as the Internal Auditors for the 2013/2014 financial year. As part of their scope, auditing of the Performance Management System and Audit of Performance Information was performed and reports received for each quarter in terms of the following internal audit plan:

Project	**Focus Area**
Review of Performance Information - Quarter 1	• Consistency in reporting; • Measurability and reliability; • Performance reports reviews; • Performance score verification (Municipal Manager and Deputy Municipal Managers); • Compliance with relevant laws and regulations.
Review of Performance Information - Quarter 2	• Consistency in reporting; • Measurability and reliability; • Performance reports reviews; • Compliance with relevant laws and regulations
Review of Performance Information - Quarter 3	• Consistency in reporting; • Measurability and reliability; • Performance reports reviews; • Compliance with relevant laws and regulations
Review of Performance Information - Quarter 4 (Annual Report)	• Consistency in reporting; • Measurability and reliability; • Performance reports reviews; • Compliance with relevant laws and regulations

The Auditor General performed the auditing of information submitted in this report, together with all achievements reported in the Organisational Performance Management System Scorecard and submitted their findings in their management letter included in the Annual Report. The information reported therefore was validated for correctness.

7. Customer Satisfaction

Council has appointed Urban Econ Development Economists to conduct the 2013 Customer Satisfaction Survey. The Comprehensive feedback and analysis report was received in November 2013. The results were reported to Council via the Performance Audit Committee per Council Resolution 9014, RPT 155166 dated 3 December 2013. The comprehensive analysis feedback report is available on Council's official website. (www.umhlathuze.gov.za under the "Performance Management" link

8. Annual Organisational Performance Information

The annual performance reporting on the 2013/2014 financial year has been completed and reflected in the Organisational Performance Scorecard in a table format (as prescribed by KZN CoGTA). The Draft Organisational Performance report is herewith presented to the Auditor General for auditing together with the Annual Financial Statements on 30 August 2014.

This Annual Performance Report (Tables) once finalized and approved should be read in conjunction with the uMhlathuze Annual Report, including the Annual Financial Statements as well as Auditor General Report on the Annual Financial Statements and Performance Information for 2013/2014.

In the 2013/2014 financial year, the uMhlathuze Local Municipality proudly excelled in the areas of Financial Viability and Financial Management; Basic Service Delivery; Local Economic Development and Good Governance.

The traffic light system used to report performance is as follow:

- **Blue** – Performance above 2% of the target
- **Green** – Performance meets target
- **Amber** – Performance within 5% of target
- **Red** – performance more than 5% adverse of target

In relation to the 2013/2014 year end performance results, the final position shows:

- 64% of targets have met or exceed the year-end target
- 36% of targets not achieved, has increased compared to last year where 28% of targets were not met

The performance results for the organizational priorities can be summarized as follows:

Traffic Light Status	2013/2014 Performance	2012/2013Performance	2011/2012 Performance
Blue – Exceeded target	**46%**	**48%**	**21%**
Green – Met target	**18%**	**24%**	**27%**
Amber – Missed target by up to 5%	**10%**	**9%**	**27%**
Red – Missed Target by more than 5 %	**26%**	**19%**	**25%**

1. Good Governance, Community Participation and Ward Committee Systems

Performance on this KPA has improved in 2013/2014 when compared to the 2012/2013 financial year from 75% to 83%

The municipality excelled in the area of community liaison and public communication.

IDP and Budget Roadshows, Ward Committee, Stakeholder Liaison and Council meetings were successfully scheduled and convened in accordance with Council's Standing Rules of Order to ensure ongoing community involvement in municipal decision making.

2. Basic Service Delivery and Infrastructure Development

The overall performance score for this KPA was 62% for the 2013/2014 financial year, which is a slight decrease from 65% achieved in the 2012/2013 financial year.

The municipality excelled in the areas of basic service delivery with 48% of indicators showed improvement when compared to actual achievements of 2012/2013.

The basic water service infrastructure improved during the financial year with a total of 43 308 house connections and 38 614 yard connections connected to the water network within the municipal area. Although 3 001 water-metering connections were completed, 2140 new meters contributed to an upgrade in water supply services to households and not contributed to the reduction of water services backlogs.

Challenges were experienced during the financial year with regards to the delivery of sanitation services. Though contractors were appointed and constructed 2 227 substructures in various Traditional Areas, the municipality was not able to address the sanitation backlog of 19 787 households without access to sanitation. The projects have been rolled over to the next financial year and are included in the Organisational Scorecard for the 2014/2015 financial year.

Furthermore, the municipality was unable to improve access to basic electricity services in the municipal area, as this target is reliant on consumers applying for this service. The municipality is in a position to deal with all applications received to ensure the reduction of backlogs in electricity services.

3. Local Economic Development

75% of targets were achieved for this KPA during the 2013/2014 financial year, compared to 50% achievement of targets during the 2012/2013 financial year.

A total of 1 655 low cost houses were constructed during the financial year as part of the Dumisane Makhaye Village and Rural Housing Projects, exceeding the target of 1 050 by far.

The municipality also successfully undertook 6 capacity building initiatives, which included training sessions for small scale farmers, mentorship provision to SMME's and informal traders as well as the training of agricultural cooperatives.

Unfortunately, the annual targeted jobs created through EPWP incentives were not achieved as some projects only span over 6 months.

4. Municipal Transformation and Institutional Development

The overall performance score for this KPA declined from 78% in the 2013/2014 financial year to 47% in the 2013/2014 financial year.

Due to high staff turnover, the municipality was not able to meet the annual targets set for the recruitment and retention of staff from designated employment equity groups. The municipality will endeavor to more strongly adhere to the Staff Retention Policy and continue adherence an implementation of the Employment Equity Plan during the 2014/2015 financial year.

Outstanding disciplinary cases remains challenging as only 33% of cases could be finalized in the 2013/2014 financial year. Cases are continuously being postponed for various reasons, i.e. Organised labour, referral for arbitrations, etc.

5. Financial Viability and Financial Management

The overall performance score achieved for this KPA was 83% for the financial year, down from 85% when compared to the 2012/2013 financial year.

R 1 934 006 000 was collected from customers of the municipality for the 2013/2014 financial year, contributing to a 106% on the targeted amount of R 1 832 663 400.

Financial Viability Indicators improved, indicating an improved sound financial standing of the municipality.

The municipality successfully spent 112% of grants and subsidies received from government departments, although a roll-over application for grants received from the previous financial year was approved by National Treasury.

Challenges faces with basic service delivery, directly impacted on capital expenditure and the municipality only managed to spend 54.44% of the capital budget on capital projects. Measures have been put in place to improve on these indicators in the next financial year.

The following table reflects the organisational performance targets and achievements as reflected in the Integrated Development Plan, in relation to the achievements of the previous financial year as well as reflecting corrective measures to be taken in the 2014/2015 financial year in cases of under achievement:

The number of households served with basic services as reflected in the table below also includes the performance of external service providers delivering basic services to the community as contemplated in section 46(1)(a) of the Municipal Systems Act (No. 32 of 2000). Water distribution to the community by uMhlathuze is delivered through water purification by WSSA and through purified water purchased from the uMhlathuze Water Board. Electricity is distributed to communities by uMhlathuze Municipality in the municipal licensed area, through purchasing electricity from ESKOM. The remainder of basic services to communities, i.e. solid waste removal (refuse collection) and sanitation is delivered in-house by the uMhlathuze Municipality. The uMhlathuze municipality is fortunate not to be reliant on external service providers, i.e. water, sanitation, solid waste removal services delivered by the district municipality like most other local municipalities do.

The information reflected below has been subjected to the Internal Auditing process (in line with Business Innovations Group and the Municipal Public Accounts Committee) (as well as the Auditor General) and reported via the Performance Audit Committee on 27 August 2014 per Council item RPT 156537, the Executive Committee on 26 August 2014 and served before Council on 23 September 2014. Reports are available for inspection.

1 ORGANISATIONAL PERFORMANCE SCORECARD 2013/2014

(Master table on DMS 861039)

UMHLATHUZE ORGANISATIONAL PERFORMANCE SCORECARD 2013/2014												
IDP Ref	Outcome 9	National KPA	Strategic Objective	Measurable Objective/Output	Performance Measure / Unit of Measure		SENSUS 2011 and/or 2012 ACTUAL	2013/2014			Corrective action for Annual Targets not-achieved / remarks	Target 2014/2015
								Annual				
						Actual (Baseline for 2013/2014)	NEW BASELINE (for 2013/2014 where applicable)	Target	Amended Target	Actual ↓		
1.3.1		Good Governance, Community Participation and Ward Committee Systems	Effective and efficient community participation mechanisms and processes	Public meetings (IDP and Budget meetings)	Number of meetings	140	N/A	27	22	22	Target achieved	22
1.3.1				Number of ward committee management meetings held	Number of meetings	362	N/A	330	330	345	Target achieved and exceeded since no meetings were planned for the month of December, however in some wards, meetings were held in December	360
1.3.1				Number of community meetings per ward	Number of meetings	new	N/A	120	120	144	Target achieved and exceeded since no meetings were planned for the month of December, however in some wards, meetings were held in December	120
1.1.4				Stakeholder liaison meetings	Number of meetings	17	N/A	17	17	24	Target Achieved - MM Portfolio of evidence	4
1.2.1.1			Effective and efficient decision making	Executive Committee meetings	Number of meetings	26	N/A	24	24	23	Reduction in number of meeting held as result of preparations for General Elections. In the new financial year there is no envisaged disruption of scheduled meetings.	24
1.2.1.1				Council meetings	Number of meetings	15	N/A	12	12	19	Target achieved and exceeded as result of additional Special Council meetings required	12
2.1	Improving access to basic services	Basic Service Delivery and Infrastructure Development	Provision of Water infrastructure	% Households with access to basic water	% Households with access to basic water (82972 revised in Jan 2013 to 86609)	84.99%	95.65%	96.23%	96.23%	95.65%	Targets on additional households served with water were not achieved, however the target for new water connections was exceeded by far, new water connections contributed to the upgrade of services rather than the reduction of the backlog. In the 2014/2015 finacial year, the backlog will be addressed as reflected in the IDP.	95.65%
2.1				Households with access to basic water	Total number of Households (82972 revised in Jan 2013 to 86609)	73613	82842	83342	83342	82842		82842
2.1					Number of House Connections	35984	43530	43530	43530	44308		44308
2.1					Number of Yard Connections	35619	36474	38474	38474	38614		40614
2.1					Number of Communal Supply (Standpipes) <200m	1810	2838	1338	1338	698		698
2.1				Households without Basic Water services (BACKLOG)	Number of Households (Backlog) Communal Supply >200m and no formal service	12996	3767	3267	3267	3767		3767
2.1				New Water Connections	Number of new connections(Metering)	1953	N/A	2000	2000	2140	Annual target achieved	2000
2.1			Provision of Sanitation infrastructure	% Households with access to basic sanitation	% Households of with access to basic sanitation (82972 revised in Jan 2013 to 86609)	61.96%	77.15%	82.93%	82.93%	77.15%	Targets on additional households served with basic sanitation service were not met, however Contractors were appointed to construct the substructures. The manufacturing contract has been awarded and to date 2227 substructures have been constructed in various Traditional areas. The target will be carried over to the 2014/2015 financial year and with the contractors on site the target for the new financial year will be achieved, including the backlog as result of non-achievement on the 2013/2014 financial year.	85.25%
2.1				Households with access to basic sanitation	Total number of Households (82972 revised in Jan 2013 to 86609)	53667	66822	71822	71822	66822		73832
2.1					Number of Waterborne Sewerage	32605	43068	43068	43068	43068		43068
2.1					Number of VIP's	21062	23754	28754	28754	23754		30764
2.1				Households without Basic Sanitation services (BACKLOG)	Number of Households (82972 revised in Jan 2013 to 86609)	32942	19787	14787	14787	19787		14787
2.1				New sanitation connections	Number of new VIP's	5617	N/A	5000	5000	0		7010

UMHLATHUZE ORGANISATIONAL PERFORMANCE SCORECARD 2013/2014												
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								Annual				
						Actual (Baseline for 2013/2014)	NEW BASELINE (for 2013/2014 where applicable)	Target	Amended Target	Actual ↓		
2.2	Improving access to basic services	Basic Service Delivery and Infrastructure Development	Provision of Electricity infraastructure	Households with access to electricity (uMhlathuze municipal supply)	Number of Households	31667	31667	32367	32226	31915	Targets on additional households served with basic electricity not achieved since the provision of electricity services is dependent on user applications.	33415
2.2				Households without Electricity services - uMhlathuze supply (BACKLOG)	Number of Households	1918	1918	1594	1594	1666		643
2.2				Households without Electricity services - ESKOM supply (BACKLOG)	Number of Households (Backlog at Jun 2013 = 8986) IDP Pg 92	8986	8986	4958	4958	994	Eskom has not provided remarks on the non-achievement of the target set by them	994
2.2				New Electrical Connections (Domestic)	Number of new connections	247	247	700	559	258	Target on additional households served with basic electricity was not achieved since the provision of electricity services is dependent on user applications. The initial number of 121 reported in Q1 has been validated and amended to 120, therefor the total number for the year amended from 259 to 258.	1500
2.4.1			Provision of Solid Waste infrastructure	% Households with access to waste disposal services	% Households (82972 revised in Jan 2013 to 86609)	68.7%	69.08%	71.39%	71.39%	71.44%	The annual target was achieved, although a delay was experienced in the provision of additional skips to serve the rural communities. The target for 2014/2015 financial year will be achieved since the contracter for delivering of additional skips has been appointed and delivering of skips in process.	74.90%
2.4.1				Households with access to waste disposal services	Number of Households (82972 revised in Jan 2013 to 86609)	59494	59826	61826	61826	61872		64872
2.4.1					Weekly 240 litre bins	46326	46326	46326	46326	46326		46326
2.4.1					Communal Skips	12882	13500	15500	15500	15546		18546
2.4.1				Households without Solid Waste Removal services (BACKLOG)	Number of Households (82972 revised in Jan 2013 to 86609)	27401	26783	24783	24783	24737		21737
2.4.1				New households with access to weekly waste disposal services	Number of new households	600	N/A	2000	2000	2046		3000
2.1			Free Basic Services	Households with access to free basic water	Number of Households	73613	82842	83342	83342	82842	To date the Municipality is in the process of metering of households.	82842
2.1				Households with access to free basic sanitation	Number of Households	21061	23754	28754	28754	23754	See sanitation connection comments.	30764
2.2				Households with access to free electricity	Number of Households (Municipal supply)	573	N/A	N/A	N/A	536	Figure is based on the number of indigent applications received.	N/A
2.2					Number of Households (Eskom supply)	1472	N/A	N/A	N/A	1269	Figure provided by Eskom	N/A
2.4.1				Households with access to free Waste removal	Number of Households	12882	13500	15500	15500	15546	Target achieved and based on the delivering of free communal skips	18546
2.3			Provision and Improvement to Public transport facilities and infraastructure	Kilometres of tarred roads established	Number of km	0	600	0	0	0	No target was set for new tarred roads to be established	0
2.3				Kilometres of tarred roads rehabilitated (New KPI added March 2014)	Number of km	0	0	N/A	5	4.81	Target not met due to high construction costs, therefor the km's rahabilitated was based on available funds provided for on the capital budget. However target was achieved within 96%	0
2.3				Kilometres of rural gravel roads established	Number of km	50	137.9	36	36	35.40	Actual of 11.7km reported for Q1 amended to validated 14.7 and actual of 4.5 reported in Q2 amended to 1.8. Therefore annual achievement amended from 35.1 to 35.4km	56
2.3				Kilometres of rural gravel roads maintained (grading)	Number of km	609	120	600	600	289	Target not met due to continous breakdown of plant (Graders)	480
2.3				Kilometres of urban gravel roads maintained (gravelling)	Number of km	new	20	40	15	16	Target achieved	40
2.3				Kilometres of tarred roads maintained	Number of km	600	600	600	600	1 013	Target exceeded by far. Numbers reported for Q1 amended from 447 to 242 and Q2 from 425 to 423 as validated by Ext Audit. Therefore the annual number amended from 1220 to 1013km.	600

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								Annual				
						Actual (Baseline for 2013/2014)	NEW BASELINE (for 2013/2014 where applicable)	Target	Amended Target	Actual ↓		
2.3	Improving access to basic services	Basic Service Delivery and Infrastructure Development	Stormwater systems and management	Kilometres of Stormwater open drains maintained	Number of Km's	new	92	92	92	283	Target achieved and exceeded as result of SMME projects implemented	92
2.3				Kilometres of Stormwater pipelines maintained	Number of Km's	new	300	300	161	3.07	There was less number of blocked pipelines.	300
2.3				Number of kerb inlets maintained	Number of kerbs	new	3076	3076	3076	7 732	Target achieved	3076
2.5.5			Provision of community and sports facilities and services, arts and culture	New facilities provided	Number of facilities	0	0	4	4	3	Target not achieved and was based on funding by external stakeholders	0
2.5.5				Upgraded facilities provided	Number of facilities	4	4	2	2	4	Target achieved	10
3.2.4	Implementation of Community Works Programme Actions supportive of the human settlement outcome	Local Economic Development	Human Settlements	Number of Hostel units refurbished	Number of units	36	NA	90	90	90	Target achieved	90
3.2.4				Number of new low-cost Houses build (Dumisane Makhaye Village and Rural housing projects)	Number of units	2200	1448	1050	1050	1655	Target achieved and exceeded	1020
3.1.1			Development of Prioritised Groups	Capacity Building Initiatives undertaken	Number of Initiatives	2	2	1	1	6	Target achieved and exceeded	3
3.1			Promotion of Local Economy	Jobs created through the municipality's LED initiatives and Capital Projects (EPWP)	Number of jobs (cumulative)	1201	922 N/A	669	669	506	The figure reflected is the final head counts as at 30 June 2014. EPWP is project based hence the target can not be accurate set at the commencement of the financial year because some projects are six months projects.	580
4.1	Deepen democracy through a refined Ward Committee model	Municipal Transformation and Institutional Development	Human Resources Management	Number of black staff employed in management (level 15 >)	Number of black staff	87	N/A	103	103	98	The achievement of appointments in relation to envisaged targets remains a challenge, since targets and achievements will always be affected by personnel movement dependant on vacancies i.e. resignations, retirements, etc. Adherence to the implementation of the EE plan with the is strickly applied at all times.	98 + 16 =114
4.1				Number of Women employed in the Top Four Management positions(Level 19>)	Number of women	new	N/A	4	4	3		3 + 6 =9
4.1				Women employed by the municipality	Number of women (additional per quarter)	703	N/A	723	723	736		736 + 20 =756
4.1				Number of Youth Employed in the Management positions(level 15>)	Number of youth (additional per quarter)	new	N/A	4	8	7		7 + 6 =13
4.1				Youth employed by the municipality	Number of youth (additional per quarter)	655	N/A	679	695	579		579 + 27 =606
4.1				People with Disability employed by the municipality	Number of staff (additional per quarter)	10	N/A	12	12	13		13 + 2 = 15
4.1				Number of EAP programmes implemented	Number of programmes	new	N/A	4	4	12	Target achieved and reliant on employees appying for assistance	4
4.1			Development and appropriate training and assistance to employees	Workplace Skills training programs conducted	Number of trainings	new	N/A	22	22	55	The target exceeded as result of superior planning on skills development based on the budgeted amount.	32
4.1				Budget Spent on Workplace Skills Plan (cumulative)	Percentage Spent on budgeted amount	698622.25/ 897500 =78%	N/A	100%	100%	80.44%	Target not achieved as result of delay in training service providers registration on the vendor data base. No similar delays are envisaged in the future.	100%
4.1				% Operating Budget spent on implementing Workplace Skills Plan	Skills levy / Salaries budget x 100 = percentage (Target 1.00% p.a.)	3686647 / 448465000 = 0.82%	N/A	3704400/ 505363800 = 0.73%	3704400/ 505363800 = 0.73%	1071088/ 124005950 =0.86%	Target achieved since a conservative approach was taken based on the baseline	0.74%

UMHLATHUZE ORGANISATIONAL PERFORMANCE SCORECARD 2013/2014												
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								Annual				
						Actual (Baseline for 2013/2014)	NEW BASELINE (for 2013/2014 where applicable)	Target	Amended Target	Actual ↓		
4.4.2.1	Deepen democracy through a refined Ward Committee model	Municipal Transformation and Institutional Development	Clean and secure working environment	Occupational health and safety initiatives implemented	Number of Initiatives	new	N/A	4	4	11	Target achieved and exceeded	200
4.1.3			Improved relationship between management and Labour	Labour Relations disciplinary cases	Percentage Reduction in outstanding disciplinary cases	95%	N/A	95%	95%	47%	Target not achieved. The Labour Relations Section is continually attending to all disciplinary cases. Closing/Finalisation of cases is dependent on a number of factors.e.g. Postponement of cases by organised Labour.	TBR
4.1.3				Facilitation and preparation of Labour Forum meetings	Number of meetings	11	N/A	11	11	9	Target not achieved	TBR
4.1.3				Joint team building exercise with organised labour	Number of team building exercises	new	N/A	4	4	0	Target not achieved	TBR
1.1.3.3			Batho Pele Principles	Community Surveys conducted	Number of surveys	1	N/A	0	0	1	The 2013 Customer Satisfaction survey report rolled over from previous financial year and served in November. Provision of funds was made for conduct a 2014/2015 Customer Satisfaction Survey by April/May 2015.	1
1.1.3.2			Performance Management Systems	S57 Performance Agreements	Number of agreements	6	N/A	6	6	6	Target Achieved within legislated timeframe.	7
1.1.3			Municipal Turnaround Strategy	Implementation of the National Municipal Turnaround Strategy	% Implemented	100%	N/A	100%	100%	100%	No action required, however a new MTAS has been approved in June 2014 for implementation in 2014/2015	TBR

UMHLATHUZE ORGANISATIONAL PERFORMANCE SCORECARD 2013/2014												
IDP Ref	Outcome 9	National KPA	Strategic Objective	Measurable Objective/Output	Performance Measure / Unit of Measure		SENSUS 2011 and/or 2012 ACTUAL	2013/2014			Corrective action for Annual Targets not-achieved / remarks	Target 2014/2015
								Annual				
						Actual (Baseline for 2013/2014)	NEW BASELINE (for 2013/2014 where applicable)	Target	Amended Target	Actual ↓		
5.2	Differentiated approach to Municipal financing, planning and support	Financial Viability and Financial Management	Revenue Enhancement	Cash collected from customers	R value of revenue collected	1 656 139 524	N/A	1 669 068 380	1 832 663 400	1 934 006 000	Target Achieved at 106% since a conservative approach was taken during the budgeting stage.	1 998 220 000
5.2				Amount invoiced/billed to customers	R value of invoices raised	1 683 349 716	N/A	1 703 131 000	1 870 064 400	1 893 743 256	Target achieved at 101% since a conservative approach was taken during the budgeting stage.	2 039 000 000
5.1.2			Financial management	Debt service payments	R value (Cumulative)	176 643 000	N/A	184 629 000	182 130 000	176 657 000	The difference in the actual and amended is due to the R100M for 13/14 only drawn on 30/06/14, hence no interest & redemption was paid.	200 552
5.2				Total revenue received from grants and subsidies	R value Cumulative	321 429 027	N/A	313 332 400	479 646 300	341 648 780	R 109 Million was rolled over from 2012/2013 financial year. The grant was already received in 2012/2013, however the amount was included in the 2013/2014 annual target due to the amount included in the Adjustments Budget for 2013/2014 and not inclunded in the actual received in the financial year.	379 964 700
5.1.2				Total of grants and subsidies spent	Total grants and subsidies spent / Total grants and subsidies received x 100 = Percentage spent	79%	N/A	100%	100%	112%	Target achieved. An application for roll-over of grants from the 2012/2013 financial year was approved by National Treasury, thus additional grant revenue and expenditure.	100%
5.1.1.2	Differentiated approach to Municipal financing, planning and support	Financial Viability and Financial Management	Debt Control	Debt coverage ratio (cumulative)	(Total operating revenue received - operating grants) / debts service payments (interest & redemption due for the year) (x 1000)	1904060-195157000 / 177237 = 9.64	N/A	9.63	2 178 853 - 236 994/ 73 036 + 109 092 = 10.66	2 208 021 - 220 035/ 176 657 = 11.25	Target achieved, since a conservative approach was taken during the budgeting stage	2370559 - 260509/ 77614+122938 =10.52
5.2.1.2				Outstanding service debtors to revenue	Outstanding service debtors / revenue actually received for services	154843895/ 1647668296 = 0.094	N/A	159,761,024/ 1,669,068,360 = 10%	180,000,000/ 1,870,064,400 = 9,62%	168,140,726/ 2,079,257,476 = 8,09%	Target achieved, since a conservative approach was taken during the budgeting stage	188901518 1998220000 = 9%
5.1.2.1				Cost coverage ratio (cumulative)	(Available cash at particular time + Investments) / Monthly fixed operating expediture (x 1 000)	280396000/ 150278000 = 1.87	N/A	2.13	372 838/ 158 104 = 2.36	399 897/ 162 774 = 2.46	Target achieved, since a conservative approach was taken during the budgeting stage	307693/ 169349 = 1.82
5.1.1.2			Budgeting and reporting	Total operating budget (revenue)	R value YTD	2 040 074 844	N/A	2 091 453 700	2 421 504 700	2 494 312 189	Target achieved and exceeded Audited together with the Annual Financial Statements and Audited values for 2013/2014.	2 490 014 600
5.1.2.2				Total Salaries and Wages budget (including benefits)	R value YTD	437 125 880	N/A	508 764 400	499 490 000	480 990 214	Target achieved and savings realized Audited together with the Annual Financial Statements and Audited values for 2013/2014.	583 140 900
5.1.2			Expenditure control	Percentage Capital Budget spent on Capital project i.t.o. IDP	Capital Budget amount spent on Capital Projects / Total Capital Budget x 100 = Percentage spent YTD	115 037 000 / 233 547 000 = 49,26%	N/A	338,713,300 =100%	467,889,900 = 100%	254 717 000/ 467 889 900 = 54.44%	Audited together with the Annual Financial Statements and Audited values for 2013/2014. Departments to ensure that orders are placed in time and projects completed as intended to ensure 100% apent at year end in the 2014/2015 financial year	100%
5.1.2				Total Operating expenditure	R value YTD	2 092 074 844	N/A	1 989 414 100	2 173 798 700	2 296 406 657	Audited together with the Annual Financial Statements and Audited values for 2013/2014.	2 363 247 300

LEGENT: KEY FOR THE MEASURABLE OBJECTIVES:

Priority

KZN CoGTA Excellence awards

Additional /Departmental

Comments:
Access to electricity (New connections): The Quarterly targets and achievements for this KPI are dependent on the number on applications received.
Free basic Service (Households with access to free electricity): The Quarterly targets and achievements for this KPI are dependent on the number on applications received.
Basic Services Backlogs: New KPI's were added for Households without access to basic water, sanitation and refuse removal services as from March 2013
Total number of households: The annual targets as reflected in the approved IDP have been revised to adjust the total number of households previously reported from 74269 to the total of 82972 in 2011/2012 aligned with KZN CoGTA statistics and revised in Feb 2013 to **86609** based on Stats SA (Sensus 2011) figures.
ACHIEVEMENTS: The annual achievements as reported in the Actual (June 2014) column was audited by the Internal Auditors (Business Innovations Group) and the Auditor General and final adjustments made together with the Annual Financial Statements and AG Report.

CHAPTER 4

ORGANISATIONAL DEVELOPMENT PERFORMANCE

DEPARTMENT OF CORPORATE SERVICES

The Corporate Services Directorate is comprised of two departments namely: Administration and Human Resources & Industrial Relations.

DIVERSE ADMINISTRATION SECTION

The Section consists of four (4) Components:

- Halls and Thusong Centres
- Call Centre & Customer Service Desk
- Facilities Management
- Secretariat Services

HALLS & THUSONG SERVICE CENTRES

During the year under review 4378 bookings were processed, 156 of which were free of charge users granted to community organisations or destitute families who wanted to hold funerals. This is in line with the department's social responsibility as well as making community facilities more accessible and available in times of need.

As the control and usage of the various Halls in council falls under the ambit of the Halls and Thusong Centre unit, it bears noting that events/functions held in these venues are coordinated by officials in this unit. Such communication involves internal and external users and ensuring that halls are ready for the hosting of any event but often for external users.

It is the vision of the department to render equitable services throughout and a drive is on to bring all the community halls up to an acceptable standard. During the past year the last of the community halls, Bhejane Hall was supplied with a fridge and a stove. The staff is also being trained on cleaning methods and it is the goal that these staff members eventually participate in a relevant learner ship where an NQF1 certificate (equal to standard 7) will be attained, most were internal training i.e. on the job training.

STAFF ACQUISITION

During the year under review Seven new staff members were employed and three promotions in 2013/14 financial year in way of archiving the expected standard in terms of cleaning.

PRINTING & STATIONARY

The printing service has become more effective in entire section since a number of offices are incorporated in this unit; this service is utilized across all the Halls & Thusong Centres Offices.

PROJECTS

There was a resolution that was taken by Council on taking the responsibility of the Halls in terms of managing and maintaining, therefore we have managed to take over the responsibility of four Halls at kwa-Dube tribal and three (3) at kwa-Mkhwanazi tribal, During the year under review eight (8) planned projects, three (3) have been completed awaiting for official handover to the public by Council, five (5) are still in process.
Most of our projects include the revamping of the existing structures in ensuring the accessibility targeting rural communities.

Plans are at an advanced stage to handover three (3) projects and more to be completed at a later stage

EXPENDITURE

During the year, review below is what has been spent on purchasing of chemicals, vehicle usage and maintenance, stationary, Uniform and overtime.

016/162/0..... R 64 593,29
016/186/0…..... R 556 608,27
016/124/0……..... R 18 835,98
016/010/0……. R 18 475,99
016/003/0……..... R 75 021,17

Plans are at an advanced stage to handover three projects and more to be completed at the later stage.

FACILITIES MANANGEMENT

Facilities Management is the integration of processes within an organization to maintain and develop the agreed services which is supporting in a value- adding manner, anticipating future requirements and improve the effectiveness of its primary activities by:

Increasing Employee satisfaction, raising productivity/ Profitability, Reducing cost, controlling risk, increasing flexibility, changing culture, Marketing and Public Relations.

This is a newly established unit, which has the following strategic Action:

- Centralizing planning and management
- Increase collaboration between departments
- Establish an enterprise- wide strategy master planning process
- Leverage technology
- Conduct an inventory and assessment of current buildings/space

Since the unit is new, implementation of the Corporate Facilities Management which is Cleaning. Security and Customer Service is on the other units. In cleaning a three year contract with Servest was terminated in April 2013 and services of Prestige Cleaning were acquired for the remaining months of the financial year (2013/2014)

Secretariat

The year of E-Councillor had finally descended as our Councillors embraced the world of technology with avid enthusiasm for both young and old. In terms of the Remuneration for Public Office Bearer's Act, Councillors are entitled to various Tools of Trade, one of which has been put to the benefit of Council and its operations. Councillors were issued with laptops at the beginning of 2014 and the E Councillor project was finally implemented. Agendas and minutes for the majority of Council's Portfolio and Executive Committee meetings were electronically delivered. Over time Councillors have, as previously mentioned, embraced the concept and whilst there is still some way to go in ensuring a totally electronic distribution, Councillors have shown their willingness to participate in the initiative. The Secretariat Services Section ensured that the Portfolio, Executive Committee and Council meetings were efficiently and effectively managed and administered. The past year's achievement of 'Taking Council to the Community' by Secretariat Services, together with the Public Participation and Councillor Support Sections encouraged and re-affirmed Council's role in representing the people in a transparent and participatory manner culminating in a very successful Council meeting held on 24 June 2014 at the Nongweleza Sports Field, Ngwelezane. The intense planning leading to this high profile meeting and the positive response from the residents was very encouraging for both Council and the communities at large. All meetings of Council were well attended by Councillors with firm resolutions recorded and executed. Council Chambers also underwent an equipment upgrade with the assistance of the Information Communication and Technology Section who provided the Secretariat with much valued input and assistance in awarding a tender for the new Audio Visual, Microphone delegate and digital recording systems.

Of note were committees at breakneck speed processing a significant increase in Bid Committee meetings, which met over and above the scheduled meetings resulting in reports.

During this period, a number of staff changes took place with staff having resigned after many years' service with Council but these vacancies being filled by promoting existing staff to higher positions. This section remains committed to mentoring and succession planning with a view to ensuring that knowledge and skills are transferred and corporate memory continues to be retained.

The following schedule reflects the number of meetings held during the year and the number of reports served at the various committees.

	Council		Exco		Portfolio		Bid		Mteam		Other		Total	
2 July 13 – Sep 13														
Meetings held	**3**		**6**		**24**		**43**		**6**		**12**		**94**	
Agenda items		**169**		**163**		**131**		**109**		**100**		**55**		**727**
3 Oct 13 – Dec 13														
Meetings held	**3**		**6**		**23**		**49**		**4**		**11**		**96**	

	Council	Exco	Portfolio	Bid	Mteam	Other	Total
Agenda items	152	170	159	179	83	68	811
4 Jan 14 – Mar 14							
Meetings held	3	5	12	53	4	11	88
Agenda Items	237	204	105	206	105	43	900
5 Apr 14 – Jun 14							
Meetings held							
Agenda Items							
Total for the year							
Meetings held							
Agenda Items							

Printing and Distribution Functions

The centralised bulk printing function, which is managed by this unit and operated by two incumbents in the Printing Room was very productive during the period under review. Four delivery personnel continued to ensure that Councillors receive their electronic agendas, minutes and official correspondences on time by executing numerous after hour deliveries to Councillors' residences. Of note was the reduced cost in paper with agendas being loaded on memory sticks easing the burden on both officials and heavy duty printers. It must be borne in mind that although Council has opted for the E-council option for agendas and minutes, many internal functions including inter alia voluminous Bid Committee agendas, tender documents etc. as well as copies of portfolio agendas for officials (not all officials have access to laptops) are still reliant on paper.

Support Services

The control and usage of the various Committee Rooms in the Council Chamber complex as well as the Auditorium and Restaurant at the Richards Bay Civic Centre falls under the ambit of the Secretariat Services Unit. As such, officials in this unit coordinate meetings held in these venues. These venues continue to host numerous departmental award ceremonies, Independent Electoral Commission meetings and training sessions, Human Resources Relationship Building Programmes, sports meetings, budget and IDP Public meetings and many more. A great number of events by external organisations ranging from the, Uthungulu District Municipality sessions, BEE Training Workshops, Tourism Workshops by the Department of Economic Affairs and Tourism, Birdlife Zululand

Workshops, SAPS Workshops, District Men's Dialogue and numerous seminars and exhibitions, have been hosted in the Auditorium. The Auditorium is also one of Council's revenue streams and has seen an increase in paying customers, generating substantial income for the year under review. In all these instances and more, support from the secretariat section has been vital in ensuring the smooth running of all these events and functions insofar as guidance in the use of newly installed electronic and audio visual equipment as well as the maintenance and upkeep of these venues is concerned.

TRAINING AND DEVELOPMENT

The vision of Training and Development is to ensure that Council has a skilled and capable workforce to support inclusive growth and development of skills within the City.

This is achieved through the co-ordination and provision of quality assured skills development and training to Council employees to ensure that they function at an optimal level thus contributing to effective and efficient service delivery.

Skilling of Council employees and Councillors is achieved through relevant training interventions and sustainable development initiatives that cascade skills to all disciplines on all levels within the organisation.

The Workplace Skills Plan (WSP) serves as the strategic document that gives direction to training and development within the Municipality. The WSP is aligned to the National Skills Development Strategy, the Skills Development Act 97 of 1998 as well as the Skills Levies Act 09 of 1999. The WSP, Annual Training Report and Pivotal Report are submitted annually to the LGSETA. Submission of these reports ensures that the Municipality receives its mandatory grant.

Council also has a Bursary Policy, which caters for its employees, their children and members of the Community.

During the 2013/2014 financial year, Council employees were trained on the following;

- Induction Training;
- Minimum Competency Training;
- Turf Marking – Sports fields;
- Training for Bid Committee Members;
- Operate a brush cutter;
- Ride on Mower;
- Computer Induction;
- Inspiring through Integrity Ethics Workshop;
- ICSM Call Centre Training;
- Introduction to computers;

- Time Management Training;
- Legislation governing people with disabilities;
- Waste Management Training;
- Switching Course;
- Basic Auto Electrical;
- Essential Labour Law;
- GCC 2010;
- Office Management;
- SALGA Presiding Officer Training;
- OHSAS 18001;
- Supply Chain Management Training;
- Infrastructure Asset Management;
- A+ Certification;
- Functioning of a Training Committee;
- SHE REP Workshop;
- ARC GIS;
- Internal Auditing Based on ISO/IEC 17025:2005;
- Training for Local Labour Forum LLF members;
- Supervisor Training;
- Peer Educators Training;
- Customer Service Excellence;
- NEBOSH IGC Certificate;
- Development Programme for Lifeguards;
- Pre-retirement Workshop, and;
- Safe use of Chemicals Workshop.

Above: Council employees attended Turf marking Training on 1 August 2013

During the 2013/2014 financial year, Councillors were trained on the following;

- Training on oversight role of Councillors in the SCM Process facilitated by KZN Provincial Treasury;
- Councillor Workshop - Labour Relations / EPWP / Income generation / Communication & Community Safety Liaison;
- Councillor Training – Legislation, Structures, functions and Good governance;
- Training for Local Labour Forum LLF members;
- Pre-retirement Workshop;
- MPAC Training for Councillors (Cogta), and;
- MDP Training for Councillors.

Above: Councillors attending a Management Development Programme

IN-SERVICE TRAINING / INTERNSHIPS

It is commendable to note that Council placed 107 learners on in-service training, Graduate Development Programmes and Internships during the 2013/2014 financial year whilst during the 2012/2013 financial year Council placed 83 learners on these programmes.

A Memorandum of Agreement (MOA) was signed between the City of uMhlathuze and the Umfolozi FET College wherein Umfolozi FET College provided off-the-job training and Council provided in-service training for learners to be able to graduate.

Council offered in–service training to learners from various training Institutions and placed learners from the Umfolozi FET College at the Municipality on a Services Seta Internship. Learners were placed in various departments.

Above: Speaker of Council (Councillor MV Mnqayi, Municipal Manager Dr NJ Sibeko and Umfolozi FET College Rector Mr S Zungu) at a breakfast session formalising the placement of interns at Council.

Above: Speaker of Council (Councillor MV Mnqayi, Municipal Manager Dr NJ Sibeko and Umfolozi FET College Rector Mr S Zungu) with the interns on the Services Seta Internship Programme.

GRADUATE DEVELOPMENT PROGRAMMES

Council also embarked on a Graduate Development Programme that was funded by National Treasury. Twenty-six were graduates placed on this Programme within the following Departments, Infrastructure and Technical Services, Corporate Services and City Development. These graduates are paid a salary that has been funded by National Treasury.

HUMAN RESOURCE ADMINISTRATION

Statistics reflect Council's ongoing commitment to work towards achieving its numerical goals in terms of the Employment Equity Act.

RECRUITMENT, SELECTION AND PLACEMENT

Appointments (Period 1 JULY 2013 – 30 JUNE 2014)

During the year 2013/2014, 144 permanent employees were appointed of which 136 were African, 5 were Indian, 2 were Coloured and 1 was White.

Breakdown per Race and Gender

Tabled below is a breakdown of appointments made in Council per occupational level during the 2013/2014 period:

Breakdown per Occupational Level

Occupational Levels	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management	0	0	0	0	0	0	0	0	0	0	**0**
Senior management	3	0	0	0	3	0	0	0	0	0	**6**
Professionally qualified and experienced specialists and mid-management	8	0	0	0	4	0	0	0	0	0	**12**
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	22	0	2	0	22	0	1	1	0	0	**48**
Semi-skilled and discretionary decision making	27	0	0	0	20	1	2	0	0	0	**50**
Unskilled and defined decision making	20	1	0	0	7	0	0	0	0	0	**28**
TOTAL PERMANENT	**80**	**1**	**2**	**0**	**56**	**1**	**3**	**1**	**0**	**0**	**144**

Promotions (Period 1 JULY 2013 – 30 JUNE 2014)

During the year 2013/2014, 57 permanent employees were promoted of which 49 were African, 2 were Indian and 6 were White.

Tabled below is a breakdown of promotions in Council per occupational level during the 2013/2014 period:

Occupational Levels	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management	0	0	0	0	0	0	0	0	0	0	**0**
Senior management	2	0	0	0	0	0	0	0	0	0	**2**
Professionally qualified and experienced specialists and mid-management	2	0	0	0	2	0	1	1	0	0	**6**
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	19	0	1	1	6	0	0	2	0	0	**29**
Semi-skilled and discretionary decision making	10	0	0	2	8	0	0	0	0	0	**20**
Unskilled and defined decision making	0	0	0	0	0	0	0	0	0	0	**0**
TOTAL PERMANENT	**33**	**0**	**1**	**3**	**16**	**0**	**1**	**3**	**0**	**0**	**57**

Terminations (Period 1 JULY 2013 – 30 JUNE 2014)

During the 2012/2013 period, there were 96 terminations of which 76 were African, 4 were Indian, 2 were Coloured, 13 were White and 1 was a Foreign National.
Tabled below is a breakdown of terminations in Council per occupational level during 2012/2013 period:

Occupational Levels	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management	2	0	0	0	1	0	0	0	0	0	**3**
Senior management	4	0	0	0	0	0	0	0	0	0	**4**
Professionally qualified and experienced specialists and mid-management	4	0	1	1	2	0	0	1	0	0	**9**
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	10	0	0	4	17	0	2	2	0	1	**36**
Semi-skilled and discretionary decision making	16	0	0	3	8	2	1	2	0	0	**32**
Unskilled and defined decision making	10	0	0	0	2	0	0	0	0	0	**12**
TOTAL PERMANENT	**46**	**0**	**1**	**8**	**30**	**2**	**3**	**5**	**0**	**1**	**96**

Termination Breakdown

Terminations	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Resignation	17	0	1	7	22	2	3	3	0	1	56
Non-renewal of contract	1	0	0	0	1	0	0	0	0	0	2
retrenchment – Operational requirements	0	0	0	0	0	0	0	0	0	0	0
Dismissal - misconduct	8	0	0	0	1	0	0	0	0	0	9
Dismissal - incapacity	2	0	0	0	2	0	0	0	0	0	4
Retirement	13	0	0	0	3	0	0	2	0	0	18
Death	5	0	0	1	1	0	0	0	0	0	7
TOTAL	46	0	1	8	30	2	3	5	0	1	96

ORGANISATIONAL DEVELOPMENT AND CHANGE MANAGEMENT

This unit aims at improving the overall effectiveness of the organisation through planned, comprehensive and systematic processes. It involves intervening in the processes, structure and culture of the organisation. There is a strong emphasis on organisational behaviour, human resource development and organisational change.

1. Organisational Development

Organisational design refers to the process of aligning the structure of the organisation with its objectives, with the ultimate aim of improving the efficiency and effectiveness of the organisation.

2. Change Management

Managing change and transition cuts across all the phases of the organisational structuring process. It includes communication and consultation with staff and key stakeholders. How effectively change and transition are managed has a major impact on the final outcome of the organisational structuring processes or any other changes the organisation have to deal with.

3. Other functions include:

- Productivity and continuous improvement
  - ✓ Efficiency studies;
  - ✓ Utilisation studies;
  - ✓ Feasibility studies.

- Business process re-engineering

  - ✓ Cause and effect studies;
  - ✓ Process analysis;
  - ✓ Process improvement and workflow analysis.

- Job evaluation facilitation.

ORGANISATIONAL DEVELOPMENT

Council embarked on a project to update all job descriptions in order to be in a state of readiness for job evaluation once agreement is reached between SALGA and organised labour on when job evaluation will resume. A Job Evaluation Committee was established for the uThungulu District with uMhlathuze Municipality representation on the Job Evaluation Committee. It is envisaged that as soon as the training of members of the different Job Evaluation Committees country-wide is completed, job evaluation will commence.

CHANGE MANAGEMENT

The following two strategies were completed by the Section:

1. Work-study Review Strategy with the following objectives:-

Action 1 – Capacity building
Expand the capacity of the Organisation Development and Change Management Unit to provide practitioners that can assist departments in performing work study investigations
Action 2 – Method studies
Identify and document processes and determine the best methods of performing jobs by subjecting the processes to method study interventions
Action 3 – Work measurement
Determine standard times to perform functions through work measurement
Action 4 - Change
Bring about change in the behaviour of employees by enforcing the new work methods and standard times

Action 6 - Communication
Recognising that good communication at all times is essential to achieve the required results

2. Integrated Organisational Development Strategy with the following objectives:-

Theme 1 - Leadership
Develop and evolve our organisational style, by providing leadership development solutions at all levels
Theme 2 - Culture
Build on our values and develop behaviours through encouraging innovation and creating an empowerment culture
Theme 3 - Skills
Develop our workforce to equip them with the skills to carry out their job roles effectively and promote a learning culture throughout the organisation
Theme 4 - Change
Being aware of what is happening around us and the changes we are making, ensuring we shape our ongoing transformation agenda
Theme 5 - Performance
Facilitate the development of our people, their capability and capacity, to gain maximum impact in changing the way we do things. Benefiting from benchmarking where we need to be challenged:- all resulting in improved service delivery
Theme 6 - Communication
Recognising that good communication and systems are pivotal to our image and reputation both internally and externally to Council and that everybody has a role to play in achieving this
Theme 7 - Technology
Implementation of the uMhlathuze Master Systems Plan with cognisance of the influence it has on organisational behaviour and structure

OCCUPATIONAL HEALTH AND SAFTETY

Vision

A work environment where hazards and associated risks are eliminated and/ or mitigated through our S.H.E solutions, support and training, thereby ensuring that all employees are equipped to work together in order to achieve a safe and healthy working environment for all.

Mission

Our mission is to provide effective S.H.E solutions to every sector of operations of the municipality to eliminate and or mitigate any potential risks through:

- Setting and adhering to a S.H.E Policy;
- Organising the workforce by adopting a positive health and safety culture;
- Planning and setting standards;
- Measuring performance, and;
- Learning from experience through effective audit and review.

Strategic Priorities / Aims

1. *To build "Sensible Health and Safety" in to Council's health and safety culture.*
2. *To ensure that Council is a "learning" organisation by improving the way health and safety incidents are recorded, investigated and how lessons learnt from internal and external organisations are communicated.*
3. *To improve the way that health and safety performance is measured and monitored.*
4. *To develop leadership skills for managers to improve health and safety performance.*
5. *To ensure that all people involved in delivery of Council services have the appropriate levels of competency to address their health and safety responsibilities.*
6. *To ensure that where Council contracts out work to other organisations or works in partnership with other organisations the occupational health and safety risks are properly and satisfactorily addressed.*

In house safety workshops / training during the 2013/2014 year, included;

In House Safety Workshop or Training	**Number of Sessions**
Contractors Safety Induction	115
Employee Safety Induction	9
Interns / In Service Training	3
COIDA Workshop for all sections	9
Interns with Disability	1
SHE Rep Workshop	1
SHE Awareness for Supervisors and Team Leader	1
OHS Gap Analysis Road Show	7
SHE Rep Nomination Process Workshop	1
OHS and COIDA Workshop for Peer Educators and Live Guards	2

TOTAL NUMBER OF SESSIONS FOR 2013 /2014 149

Training delivered by external providers during the 2013/2014 year, included;

External Safety Training	**Name of Sessions**
Introduction to Samtrac	1
Time Management	1
RCAT	1
IT IS	1

TOTAL NUMBER OF SESSIONS FOR 2013 /2014 4

OHS Compliance Inspections during the 2013/2014 year

TOTAL NUMBER OF OHS COMPLIANCE INSPECTIONS INCLUDING CONTRACTORS = 12

SHE COMMITTEE STRUCTURE

Note Legal requirement: OHS Act S19 (4) - Meetings to be held at least once every 3 months

Department	**Number Meetings held**	**Target**
Infrastructure and Technical Services (Committees: 3)	**14**	4
Financial Services	**3**	4
Corporate Services	**2**	4
Community Services (Committees: 3)	**14**	4
City Development	**3**	4
TOTAL	**36**	20

EMPLOYEE ASSISTANCE PROGRAMME (EAP)

EAP SUPERVISORY AND MANAGERS TRAINING

The Employee Wellness Section (EAP) organized an EAP supervisory workshop which was facilitated by SANCA. The workshop provided guidelines on the role of managers and supervisors on EAP (conducting formal referrals). The total number of supervisors trained was 41. In the supervisors post workshop evaluation, they recommended that others supervisors should also be exposed to a similar workshop.

CANCER AWARENESS CAMPAIGN FOR WOMEN

This campaign was led by CANSA and was one of the highlights for the section during the cancer awareness month. In this session many women employees acquired a lot of information about the different types of cancers and the importance of early examination.

SPIRITUAL UPLIFTING PROGRAMME (PRAYER DAY)

EAP (Employee wellness) section organized a prayer day (where different Pastors were invited to pray for our organization) jointly with the peer educators before the Easter holidays. The main objective was to revive our employees and to request that God through the higher power, to protect our employees during holidays. The Senior Management supported the initiative and the employees' attendance was excellent and they appreciated the prayer service. We believe God heard our prayer since indeed all employees were back at work after the holidays with no incidents reported! This is a continuous effort.

EMPLOYEE WELLNESS DAY/S

The Wellness (EAP) section for the first time hosted an EAP wellness day which took place in September 2013 (three sessions' consecutively and 900 employees attended). These sessions illustrated how Employee wellness day/s boosts the Employees' morale and willingness to perform their work optimally.

TB AND CONDOM WEEK CAMPAIGNS

Peer Educators have put a lot of effort into this campaign to educate and encourage their peers to go and test for TB. The Peer Educators also engaged in the Condom week campaign where they were encouraging employees to protect themselves and their partners by always ensuring that they test for HIV/AIDS and always use protection.

CONSUMER EDUCATION

The EAP Section arranged this session during the consumer month (March) to make employees aware of their rights and the steps they need to take if their rights are being violated. In this workshop there were different presenters from various sectors which included; The National Credit Regulator, Credit Direct, Consumer Rights office, and Legal Aid Board. This was a successful session and many employees were assisted by the information they acquired from the workshop session.

Challenges facing the EAP Section

Financial constraints: Almost all EAP programs are done through requesting external sponsors, which makes it difficult to host all the proactive (Workshops, awareness and training) programs. However, the EAP section works in collaboration with other Human resource sections regardless of the financial constraints.

Proposed and Implemented Solutions

In order to minimize reactive interventions, we are currently focusing on rendering proactive programmes to try and alert employees before they encounter problems. In order for the section to provide relevant programmes, adequate budget should be made available to cater for that. The EAP section has requested that the CFO considers increasing the budget for the Employee Wellness Programmes, as it is said that "a productive employee is a happy employee".

LABOUR RELATIONS

The main focus of Labour Relations is to manage and strengthen relations between Organised Labour and Management. Council is currently engaged in a facilitation process under the auspices of the South African Local Government Bargaining Council (SALGBC). Labour relations also provides sound and effective, day to day advisory services to all supervisors and managers.

Disciplinary Procedures

All disciplinary processes and grievance processes are dealt with in terms of the Collective Agreements as agreed upon by SALGA and Organised Labour. Appeals are also dealt with in terms of the same Collective Agreement until cases are referred to the Bargaining Council.

Management is always kept abreast of the labour related developments as clearly stipulated in Collective Agreements, Organisational Rights Agreement, BCEA and LRA by means of workshops with Supervisors which are conducted on a quarterly basis.

Council's Local Labour Forum (LLF) is fully functional and matters concerning labour related issues are dealt with accordingly.

DEPARTMENT OF COMMUNITY SERVICES

PUBLIC HEALTH AND SAFETY

SECURITY (TRAFFIC AND SECURITY)

The Security Section successfully manages three security guarding related contracts involving around 100 municipal properties that need to be protected at any point of time. This involves three security companies with a guarding contingent of up to 450 to run the complete operation on a 24/7 basis. This service also involves the protection of Council land and other assets.

The Security Section embarked on a tender process to provide Councils “Cash in Transit “Services as the previous contract was due to expire. This process went well and the new service provider commenced work on1 April 2014.

The Security Section further established itself by appointing its own in-house VIP protection staff compliment to protect the Office Bearers on a very high standard.

The Security Section`s annual beach protection program/ project during the December Festive season with the assistance of other roll players went very well and thousands of beach visitors were protected , monitored and searched during this period. Amounts of 41 additional guards were used on the beach during the festive period.

The Security Section further assisted during various other events through the year of which the most important was the General Election in May when a vast number of municipal resources were required.

All of the above services were subject to very high standards in accordance with the Private Security Act.

The Security Section further had to make urgent arrangements to accommodate the new adopted logo of Council and it is now reflected on the Municipal ID Cards for official purposes of which hundreds of new identity cards had to be updated.

Security Staff involved with Beach Protection over the festive season

AIR QUALITY MANAGEMENT

BACKGROUND

Air Quality Management Unit (AQMU) is a component under Community Services. The role of AQMU is to ensure that the environment is protected by providing reasonable measures for prevention and enhancement of air quality for the sake of the Citizens within the City of uMhlathuze.

1. OBJECTIVES

- To comply with the Constitution, NEM: AQA 2004 & other related pieces of legislation
- To be in line with the NAQF in attaining compliance with ambient air quality standards, and give effect to the Republic's obligations in terms of international agreements
- To effectively communicate air quality status information to all levels of the society, from experts in the field to primary school children and the ordinary citizen on the street
- To improve information sharing with other spheres of government and relevant institutions dealing with air quality.

2. THE MUNICIPALITY MANDATE ON AIR QUALITY MANAGEMENT

City of uMhlathuze has an obligation to ensure that Section 24 of Chapter 2 of The Constitution of the Republic of South Africa of 1996 stating **"*Everyone has the right an environment that is not harmful to their health or well-being*"**. Furthermore the organization has a mandate to adhere to pieces of legislation such as National Environmental Management Air Quality Act of 2004.

3. THE 2013/14 MILESTONES

4.1 <u>Inspections</u>

There were eighty (80) inspections conducted. These inspections include various types of industries such as smelters, pulp and paper mills, chemicals, harbour, iron steel, fertiliser, coal exporters, mineral mining, forests, blasting and sugar cane.

4.2 Complaints

There were seventy eight (78) complaints attended. These complaints include spillages, odour, burning, etc.

4.3 National Environmental Management Act: Section 30 (NEMA S30)

Section 30 of the National Environmental Management Act 107 of 1998 stipulates that any emergency incidents must be reported to all spheres of government. An "incident" is an unexpected sudden occurrence, including major emission, fire or explosion, leading to serious danger to the public or potentially serious pollution of or detriment to the environment, whether immediate or delayed.

There were eight (8) Section 30 received

4.4 Scheduled Trade Permits

There were twelve (12) Scheduled Trade Permits and five (5) Scheduled Trade Renewal Permits issued to the following companies:

No	NAME OF THE FACILITY	STATUS
1	Mpact Paper	Scheduled Trade Permit Issued
2	BHP Billiton Hillside	Scheduled Trade Permit Issued
3	BHP Billiton Bayside	Scheduled Trade Permit Issued
4	Tongaat Hulett Ltd	Scheduled Trade Permit Issued
5	Fermentech (Pty) Ltd	Scheduled Trade Permit Issued
6	Wasteman Holdings (Pty) Ltd	Scheduled Trade Permit Issued
7	Grindrod: Kusasa Terminal	Scheduled Trade Permit Issued
8	Grindrod: Valley Terminal	Scheduled Trade Permit Issued
9	Grindrod: Navitrade Terminal	Scheduled Trade Permit Issued
10	Grindrod: Seamunye Terminal	Scheduled Trade Permit Issued
11	Interwaste (Pty) Ltd	Scheduled Trade Permit Issued
12	Enviroserv (Pty) Ltd	Scheduled Trade Renewal Permit
13	Engen Petroleum Ltd	Scheduled Trade Renewal Permit
6.	Richbay Chemicals (Pty) Ltd	Renewal Scheduled Trade Permit
7.	Richards Bay Coal Terminal (RBCT)	Renewal Scheduled Trade Permit
8.	FFS Refiners (Pty) Ltd	Renewal Scheduled Trade Permit

4.4.1 Notices

There was one Non-compliance notice issued.

4.5 Projects

4.5.1 Air Quality Management Bylaws

The Air Quality Management Bylaws are on draft

4.5.2 Ambient Monitoring Stations

The tender to install three Ambient Monitoring Stations was awarded.

4.5.3 Air Quality Management Strategy

The AQM Strategy is on draft

WASTE MANAGEMENT ANNUAL REPORT

The Constitution of South Africa, 1996 provides the foundation for environmental regulation and policy in South Africa. The right to environmental protection and to live in an environment that is not harmful to health or well-being is set out in the Bill of Rights (section 24 of Chapter 2). This fundamental right underpins environmental policy and law, in

particular the framework environmental legislation established by the National Environmental Management Act, 1998 (Act No. 107 of 1998) (NEMA).

The Waste Act fundamentally reforms the law regulating waste management, and for the first time provides a coherent and integrated legislative framework addressing all the steps in the waste management hierarchy.

Furthermore, in terms of the Constitution the responsibility for waste management functions is to be devolved to the lowest level of government.

It is therefore clear that the City is responsible for Waste Management within its area of jurisdiction and has to ensure proper handling of waste thus preserving a health and safety environment.

The following are the core functions of the section,

- Weekly waste collection and disposal thereof at an approved landfill site
- Street and rank litter picking and public ablution facilities cleaning.
- Recovery of re-usable material and directing usable waste to the recycling project at Alton Recycling Centre.
- Clearing of illegal dumping within the City of UMhlathuze.
- Community and school environmental (clean-up) awareness campaigns.
- Participation in Greenest Municipality Competition run by both Department of Agriculture and Environmental affairs and national Department of Environmental Affairs.

WEEKLY WASTE COLLECTION

QUARTER	**NO OF TRIPS**	**TONAGE OF WASTE DISPOSED OF**
1ST Quarter	1738	8730
2nd Quarter	1641	8555
3rd Quarter	1738	8221
4th Quarter	1707	7973
TOTAL	**6 818**	**33479**

A total of 6818 **trips** were made to the uThungulu Regional Landfill Site and Alton Recycling Centre and 33479 tons of waste was disposed during 2013/2014 period.

A total of about **71%** (61254) households had access to the basic weekly solid waste removal service at the end of June 2015, excluding communal skips placed in sensitive areas.

STREET CLEANING

Working together with the Community in areas such as the ranks has achieved a lot towards a cleaner environment, although littering has not been eradicated.

Empowering those using ranks and public amenities through clean up campaigns and training seem to be improving in terms of level cleanliness, but this is an ongoing programme. Also, street cleaners are placed strategically everyday within the City to ensure cleanliness at all times. All the main ranks are now cleaned up until 18h00 when there is no congestion to maximise cleanliness on those busy facilities.

RECYCLING PROGRAMME

The involvement of the municipality in the promotion of recycling material by its citizens is important in contributing to the National target set for recycling in the country.

The section has been running kerb recycling programme successfully in certain suburbs such as Meerensee in which Council issues yellow bags for recycling in addition to trolley bins. On the day of removal refuse truck picks non-recyclable material in trolley bins, and the following recycling truck would collect yellow bags with recyclables and transport those to Alton Recycling Centre.

City of uMhlathuze resolved that 6% and 3% are its annual targets for recycling and reduction of waste respectively for 2013/2014.

The following were achieved in the 2013/2014 Financial Year in terms of targets,

- An increase in recyclable material of 11.69% was achieved during this quarter measured against the annual target of 6%.
- Reduction of landfilled material reflected a percentage of 3.6% during this quarter measured against the annual target of 3%; and

Improvement is therefore still required in terms of recyclable waste and in order to maximise recycling programme. Waste Management has entered into partnership with Wildlands Trust in order to ensure more beneficiation of the Community through recycling.

This will contribute greatly to the increase in both recycling and reduction of waste being sent to the landfill site, thus creating income for the unemployed.

ILLEGAL DUMPING

This is still one of the challenges the Council is faced with and it has detrimental effect to the environment. The section has formed a special team that deals with illegal dumping as part of EPWP programme for Waste Management. Although this seem to be working very well but there is a dire need for the Community to be educated on negative effects of illegal dumping. Everyone needs to put their hands on the deck fighting this illegal practice because Municipality alone cannot win without participation and commitment by builders, garden services companies, business and community at large.

COMMUNITY OUTREACH PROGRAMMES

A number of Community Clean up campaigns were carried out involving scholars from rural schools and community members. Waste Management has a partnership with National Department of Environmental Affairs under Youth Jobs in Waste Program in which youth members identified in the Community work with the section educating communities on negative environmental effect of improper management of waste.

School clean-up campaigns as well as community clean-up campaigns are conducted in an attempt to environmental awareness in our communities in line with Cope 17 agreements. Fifteen (15) school clean-up campaigns were achieved in 2013/2014 Financial year.

GREENEST MUNICIPALITY COMPETITION

Every year the City of uMhlathuze enters and participates in a Greenest Municipality Competition hosted by Department of Agriculture and Environmental Affairs.

The City is currently rated number 2 overall winner for the Province. It is fair to note that although City achieved number 2 but this Municipality was chosen by National Department of Environmental Affairs to represent KwaZulu-Natal at national level and the results from the national assessments are pending. The results are expected to be announced on the 29 August 2014 in an event that will take place in Tzaneen in Limpopo Province.

uMhlathuze FIRE, RESCUE AND DISASTER MANAGEMENT SERVICES

The Fire and Rescue Services excelled once again with minimum resources in the quality and quantity of the service delivery that it provides to the community. Loss of life and property has been kept to a minimum due to effective firefighting, rescue, hazardous material incidents and fire prevention activities. This is due to the dedication and loyalty of

all staff that have once again gone that extra mile for the community that they serve and protect.

During the year the Fire Brigade personnel attended to **1 359** Emergency Incidents and includes the following:

- **839** Fire related incidents, **448** Rescues and Medical Emergencies, **5** Hazardous Material incidents and **67** Special Services.
- **2 118** Fire Prevention inspections were carried out on industrial and commercial premises, schools and medical institutions within the City of uMhlathuze area of jurisdiction.
- The total damage caused by fire was **R87 144 100.00** whilst the estimated value of property threatened by fire was **R1 544 427 100.00**.

Operational tasks of special interest performed during this year include the following:

FIRES AND RESCUES OF INTEREST

- 2 Adults and 2 children lost their lives in a motor vehicle accident when a heavy goods delivery vehicle and a light motor vehicle collided at bridge “D” on the N2 towards Mtunzini.
- 2 Adults and 4 children lost their lives in a motor vehicle accident involving a light motor vehicle and water tanker on the N2 at the Nseleni Turn-off.
- 4 Children lost their lives in a formal dwelling fire in the vicinity of Mavuko Store in eSikhaleni. It is suspected that the children were left home alone. The dwelling was gutted by fire.
- The body of an adult male was recovered in the south break waters on the South Pier in the Harbour after a drowning incident two weeks prior.
- An adult male lost his life in an informal dwelling fire at Mandlankala. It is suspected that the dwelling was set alight after a burglary.
- 3 People lost their lives and 1 person was seriously injured when a light motor vehicle and a heavy goods vehicle collided on the R34 at Dlangubo Turn-Off.
- An adult male lost his life in an informal dwelling fire at Nseleni. The entire dwelling and its contents was destroyed by fire.

ACHIEVEMENTS INCLUDE:

- The City of uMhlathuze Fire and Rescue Services have successfully taken over the Rural Metro contract and appointed twenty (20) fire fighters. Service delivery is continuing in both Vulindlela and Nseleni.
- The construction of eSikhaleni fire station has started and is progressing according to plan.

REMARKS PERTAINING TRAINING DIVISION

- Twenty (20) EPWP employees were appointed at the Fire and Rescue Services in January 2014. All twenty (20) employees successfully completed a Basic Fire Fighting Course and received certification.

- The Fire Fighter I and HAZMAT Awareness Course for the EPWP employees commenced on the 10th of February 2014 with a total of twenty (20) students. Nineteen (19) students were evaluated by an external moderator on the 13th of June 2014 and were found competent on both Fire Fighter I and HAZMAT Awareness.

- The external Fire Fighter I and HAZMAT Awareness Course commenced on the 7th of April 2014 with a total of twenty (20) students. The facilitation part of the course has been completed and twenty (20) external students will be evaluated by an external moderator on the 4th of July 2014.

- Five (5) Basic Fire Fighting Courses with a total of 73 trainees were conducted during the year and all trainees were found to be competent.

- Two (2) Industrial Fire Fighting Courses with a total of 12 trainees were conducted during the year and all trainees were found to be competent.

DISASTER MANAGEMENT

- The City of uMhlathuze Fire, Rescue and Disaster Management Services played a major role in the “MV Smart” shipping incident implementing access control, monitoring product leakage, search, identification and removal of beached containers. A total of twenty-four (24) meetings were attended with regards to the MV Smart.

- Assistance in the form of food parcels, blankets and shelter was given to fifty-nine (59) families within the City of uMhlathuze area of jurisdiction whose residences were destroyed by fire and / or natural disasters.

- Standby duties were carried out at various mass public gatherings/venues throughout the City of uMhlathuze during the year and as a result of good pre-planning, no incidents were reported, e.g. ANC Rally in eSikhaleni and the Nazareth / Shembe Temple Service at Mpuza Hill in Mandlazini.

- The Disaster Management plan for the City of uMhlathuze was kept updated throughout the year and was tested on various occasions by means of evacuation drills and other emergency exercises which took place at industry, commerce, medical institutions and schools. A total of twenty-four (24) on-site emergency exercises were conducted.

- The New Year's Eve festivities that took place in Small Craft Harbour were successfully concluded due to effective pre-planning and the strategic deployment of vehicles and manpower.

- Various emergency plans were received and scrutinized from major industry, commerce, medical institutions and schools and were placed on file.

- During the year a total of **1 620** scholars visited the fire station on educational information excursions and thus forming part of the Fire and Rescue Services Fire Awareness Campaigns.

ENVIRONMENTAL HEALTH SERVICES

"Promoting a healthy environment"

MAIN RESPONSIBILITIES

The World Health Organization describes Environmental Health as:

"Comprising those aspects of human health, including quality of life, that are determined by physical, chemical, biological, and psychosocial factors in the environment. It also refers to the theory and practice of assessing, correcting, controlling, and preventing those factors in the environment that can potentially affect adversely the health of present and future generations."

Environmental Health Services perform numerous functions some of which are incorporated under Municipal Health Services, which in terms of the National Health Act No. 61 of 2003, includes—

(*a*) Water quality monitoring;

(*b*) Food control;

(*c*) Waste management;

(*d*) Health surveillance of premises;

(*e*) Surveillance and prevention of communicable diseases;

(*f*) Vector control;

(*g*) Environmental pollution control;

(*h*) Disposal of the dead; and

(*l*) chemical safety,

GENERAL OVERVIEW & MAIN ACHIEVEMENTS

Health Education and Health Awareness Programs

Various health education and health awareness programs were undertaken during the year under review. They included:

Health education, health awareness and clean-up programs at following schools throughout the City:

1. Nqutshini Primary School
2. Eniwe Primary School
3. Bingoma Primary School
4. Qhubandaba Primary School
5. Nkosazana Primary school
6. Qhubandaba Primary School
7. Isigisi Primary school
8. Ndabayakhe Primary School
9. Thembelihle Primmary School
10. Zenzelenimashamase High School
11. Old Mill High School
12. Qantayi High School
13. Mevamhlophe High School
14. Ziphozonke High School
15. Siyabonga High School

The health education and awareness covered the following topics:

- Personal Hygiene
- Importance of and steps to hand-washing
- Promoting Health in schools and in the community
- Participatory Hygiene and Sanitation Tranformation (PHAST)
- TB and Malaria
- Scabies
- Rabies:
    - Prevention of rabies in humans
    - Signs and symptoms of rabies in both humans and animals
    - Prevention of rabies in animals
    - Remedial action and the importance of immediate action after an animal bite or exposure.

- Leaners were encouraged to ensure that their animals were vaccinated against rabies
- Water borne diseases – cholera, bilharzia, typhoid
- Importance of hand washing and consequences thereof.
- Environmental hygiene.
- Communicable diseases and transmission and prevention methods.
- Food hygiene and related disease.
- General cleanliness and hygiene.
- Environmental protection.
- Toilet hygiene and proper usage.
- Refuse and associated hazards

A total of seven thousand five hundred and five (7505) learners and (one hundred and fifty three (153) educators were reached through the school health awareness programmes.

Other Health education programmes were undertaken of educators and food handlers at child care facilities, schools and staff working in food premises.

Indigent and Pauper Burials

In terms of Council's Indigent Burial Assistance Policy and Section 32 of the Regulations Regarding the Rendering of Forensic Pathology Service in terms of the National Health Act, 2003 (Act No 61 of 2003) 199 indigent and pauper burials were undertaken by Council at a cost of R 398 798.57. This is a sizable increase from the previous financial year 2012/2013 where 159 indigent and pauper burials were undertaken by Council at a cost of R 300 302.00.

STATISTICS

The following number of inspections and investigations pertaining to Environmental Health were conducted during the year under review:

Item		**Total**
		Annual
Number Of Complaints Received And Investigated	=	478
Number Of Vacant Overgrown Properties Inspected	=	1037
Number Of Private Overgrown Properties Cleared By Council At A Cost To The Owner	=	77
Number Of Food Hygiene Inspections And Re-Inspections.	=	1519

Item		Total
		Annual
Number Of Certificates Of Acceptability Issued To Food Premises	=	72
Number Of Business Licences Commented On	=	100
Number Of Samples Taken In Terms Of The Foodstuffs, Cosmetics And Disinfectants Act	=	82
Amount Of Unsound Foodstuffs Destroyed As Unfit For Human Consumption.	=	28025kg
Number Of Inspections Carried Out At The Child Care Facilities And Schools	=	381
Number Of Inspections Carried Out At Bed And Breakfasts Establishments	=	210
Number Of Building Plans Scrutinized From A Health Point Of View	=	120
Inspections Undertaken At The Funeral Parlours	=	40
Number Of Pauper And Indigent Burial Applications Approved And Undertaken By Council	=	199
Indigent & Pauper Burials - Total Expenditure	=	R3987985.57
Number Of Health Education Programs	=	12
Health Education Attendance Figures	=	7863
Number Of Informal Traders Who Underwent Health Education	=	835
Number Of Inspections Were Carried Out At Industrial Premises	=	28
Number Of Consultations With Business And Members Of The Public	=	2389
Number Of Meetings And Workshops Attended	=	442

CLINICS

STATS FOR EMPANGENI CLINIC AND RICHARDS BAY CLINICAS FROM 1 JULY 2013 TO 30 JUNE 2014

PRIMARY HEALTH SERVICES	1	2	3	4	TOTALS
Aquadene	802	623	848	582	**2855**
Brackenham	3 041	2 833	3 001	2939	**11 814**
Civic Centre Richards Bay	28 381	27 575	33 141	34272	**123 369**
Meerensee	4 150	3 719	4 497	4686	**17 052**
Baptist Church	1 230	1 155	1 010	1109	**4 504**
Civic Centre Empangeni	31 499	29 875	31 233	31707	**124 314**
Felixton	661	552	585	515	**2 313**
Zidedele	540	485	571	399	**1 995**

GRAND TOTAL FOR YEAR	288216

Disease Profile	1	2	3	4	TOTALS
Primary Health Care clients under 5 years	10 699	9 420	11 016	10976	**42 111**
Primary Health Care clients over 5 years	59 604	57 401	63 868	65233	**246 106**
Asthma	1 089	1 064	1089	843	**4 085**
Diabetes Mellitus (New)	92	35	30	33	**190**
Diabetes follow-up visits	3 847	3 430	3 879	3291	**14 447**
Diarrhoea < 5 years - (New)	277	317	460	428	**1 482**
Diarrhoea – 5 to 14 years	172	188	197	60	**617**
Diarrhoea – 15 years and older	400	511	632	654	**2 197**
Hypertension visits (New)	290	139	191	179	**799**
Hypertension follow-up visits	9 089	8 265	9 543	8655	**35 552**
Scabies (New)	101	66	59	17	**243**
Sexually Transmitted infections (New)	1 951	1 871	2 230	2102	**8 154**

Tuberculosis	1	2	3	4	TOTALS
Suspected Tuberculosis sputum sent to Laboratory	1 165	1 579	2 672	1816	**7 232**
Suspected Tuberculosis sputum Positive	85	92	105	92	**374**
Suspected Tuberculosis sputum positive put on treatment	72	83	94	84	**333**
Total patients with Tuberculosis seen during this quarter	2 507	1 938	1 841	2447	**8733**
New TB patients started on TB drugs	213	266	272	230	**981**
MDR Tuberculosis	9	4	15	5	**33**

Special Clinics	1	2	3	4	TOTALS
Immunisation under 5 years	4 007	3224	3 660	2984	**13 875**
Family Planning	5 321	5 214	5 291	5356	**21 182**
Antenatal (Pregnant) - New cases	485	479	611	637	**2 212**
Antenatal (Pregnant) – Follow-up visit	1 623	1 633	2 260	2806	**8 322**
Pap smears	132	149	200	273	**754**
MMC (Medical Male Circumcision)	150	29	96	288	**563**

Voluntary Counselling and Testing:	**1**	**2**	**3**	**4**	**TOTALS**
HIV client pre-test counselled (excluding antenatal) – Female	2 556	2 187	1 995	1635	**8 373**
HIV client pre-test counselled – Males	1 664	1 563	1 328	1187	**5 742**
HIV client tested (excluding antenatal) – Female	2 550	2 141	1 977	1606	**8 274**
HIV client tested - Male	1 650	1 548	1 317	1182	**5 697**
HIV client test - positive (excluding antenatal) – Female	546	593	526	426	**2 091**
HIV client test - positive male – New	377	381	292	274	**1 324**
Antenatal pre-test counselled	557	349	727	643	**2 276**
Antenatal client tested for HIV	434	301	636	1199	**2 570**
Antenatal client tested HIV Positive	168	90	124	165	**547**
Antenatal client tested HIV Negative	266	226	512	388	**1 392**
Male Condoms	29 172	50 180	37 768	45971	**163 091**
Female Condoms	881	1 662	2133	1816	**6 492**

Well Baby Clinic	**1**	**2**	**3**	**4**	**TOTALS**
HIV PCR test of baby born to positive mother at 6 weeks and later	192	99	214	209	**714**
HIV PCR test positive of baby born to HIV positive mother at 6 weeks and later	2	2	0	4	**8**

Animal Bite Cases	1	2	3	4	**TOTALS**
TOTAL	76	70	62	55	**263**

ARV Clinic	1	2	3	4	TOTALS
Newly HIV positive Patients initiated on ART	412	432	429	472	**1745**
Total number of patients on ART					**7 212**
Total number of children on ART					**92**
GRAND TOTAL ON TREATMENT					**7 304**

ENVIRONMENTAL AND RECREATIONAL SERVICES

SPORT AND RECREATION

Milestones and achievements during the year under review include the following

SALGA KZN Games

These games are played in all municipalities with an intention of unearthing and nurturing new talent. Athletes are selected during elimination games to represent their wards, clusters, local and district municipalities at Provincial level. UMhlathuze provided about seventy percent of athletes to Team uThungulu that participated and got silver in the 2013 Salga Games at Harry Gwala Municipality in Kokstad.

Senior Citizens Golden Games

Senior citizens with an intention of encouraging active ageing play these games. Senior citizens compete in games such as jukskei, rugby ball throw, ball relay, ring the stick, duck walk, dress-up, soccer, athletics and many more. This programme starts at ward to cluster level after which it is uMhlathuze Golden Games. Athletes selected at uMhlathuze Golden Games get to participate at District level after which they represent the District at Provincial level. Those selected at Provincial Games get to represent the Province at National level. More than 10 senior citizens from uMhlathuze participated in the National Golden Games held in Gauteng Province.

Beach Games

The 2013 Beach Games held in collaboration with Tourism section were a huge success with sport codes such as Touch Rugby, Beach Soccer, Beach Volleyball and Indigenous Games proving to be more popular with beach revellers. These games formed part of the annual uMhlathuze Beach Festival.

Disability Sport

These games are aimed at encouraging healthy life style among people living with disabilities. A disability fun day which was preceded by the handing over of sport equipment was held at Nawezifunze Home for Disabled in Mzingazi in which sport codes such as Table Tennis, Netball and Indigenous Games were played.

Thanda Royal Zulu versus Orlando Pirates match

History was made when one of South Africa's soccer giants, Orlando Pirates visited Thanda Royal Zulu at uMhlathuze Soccer Stadium for a Nedbank Cup tie. The stadium was packed to capacity with soccer fans from all over Zululand giving an indication of how hungry they are for premier league football.

KZN Inter-departmental Games.

The City hosted Provincial Inter-governmental Games whereby different government departments competed in sport codes such as Football, Netball and Volleyball. These Games contributed immensely to the City's GDP with more than 1500 employees staying in various hotels in and around uMhlathuze

Education and Training

To capacitate sport administrators, coaches and other technical officials, different workshops were presented for different sport codes. A Sport Indaba was also held with an intention of identifying and addressing obstacles hindering the development of sport within the City

AMENITIES (SUB-SECTION OF SPORT AND RECREATION)

POOLS

The swimming pool did open on the 1st September for the new season.

EVENTS

The hot conditions during this season did attract large number of patrons/public. All the swimming pools did host regular school galas and The Learn to Swim programs. Schools from the outskirts of neighboring towns did also visit the swimming pools for school excursion. The Arboretum swimming pool did host 23 swim galas while Empangeni pool

hosted 12 galas. All Council pools were fully utilized during closed time for Baptism by various churches within the City of uMhlathuze.

The 2013/14 budget allowed renovating Arboretum ablutions, purchasing new lanes, fitting new chlorinators and erecting lapas at Ngwelezane pool, servicing the diatomatious earth filter at Enseleni pool. Two portable filters were purchased. Furniture was also purchased for various pools. Council is also proud to boast the opening of the second pool in eSikhaleni, unofficially named the College Pool.

BEACHES

The amazing weather all year round and the well-protected beaches did attract crowds of people throughout the year. Due to Council having shark nets that extends for kilometers on our stretch of beach, this makes the bathers and surfer feel much safer to use the beaches. Tourist from all over the world visited our beaches this year. Council is proud to have maintained its Full Blue Flag status for 12months, 2013/14 Blue Flag season.

EVENTS

During this year

- 4 surfing competitions were held.
- 1 modeling contest
- 1 surf ski competition
- Several fishing competition
- 4 Skate boarding competition
- The department of Transport hosted a major event based on Road safety, “ARIVE ALIVE” campaign. This event attracted about 160000 people. This event had top South African musicians perform at Alkantstrand beach.

The MV Smart did run ground on the 19 August 2013 in front of Alkantstrand beach thus attracting people from all over the country.

The festive season averaged about 13000 bathers daily and about 160 000 on New Year’s Day. During these days a number of rescues were performed with no serious fatalities during hours.

Richards Bay is proud to boast having the most magnificent beach and waves in the north coast also the most spectacular skate park in the country.

The main beach, Alkantstrand is well guarded and a safe beach throughout the year. There are 4 security guards on patrol during the open time and several SAPS on regular patrol day and night.
Section tourism has taken the initiative to develop the New arch beach this is work in progress.

Budget did allow for the renovation of the restaurant building which will be converted into offices. Several new rescue equipment was purchased.
Council is grateful to DEDTS for their grant of R400 000, 00 for the upgrade of the beach. A Learning Centre is developed and a portable lifeguard office is erected in New arch beach. Council is also grateful to Ezemvelo Wildlife for their continuous support on the up keep of all beach in the City of uMhlathuze. For the 2013/14 season Ezemvelo Wildlife have placed 18 EPWP Staff to keep our coast line clean. These staff report daily for duty.

The Management team is grateful to the staff for their efforts in the upkeep of Council's facilities within the Amenities section.

Empangeni Museum

June – July 2014: Mondi Eisteddfod High School Art

Several of the schools in the uMhlathuze municipal area participated in this Bi-Annual exhibition.

The overall standard of the works have been very good this year with many of the art pieces receiving gold medals.

February 2014 – May 2014: Empangeni Preparatory School Centenary Celebration

When walking into the Museum one could feel oneself being back in primary school. The walls were filled with happy, beautiful school art. There were photos of years gone by and staff that served on the school board and albums filled with photos taken at all their projects and functions. All the pupils came to view the display and around 900 children visited the Museum.

December 2013 – February 2014: Local Artist Display

This is also an annual display that is supported by our local artist. The Museum creates the platform for the Artist to display and possible sell some of their works. We had a number of

artists all with their own unique style. One Unizulu Art Lecturer brought his work and a post Graduate artist's work, but it is the novice painters that stole the show with their talent and creativity.

October 2013 – December 2014 Empangeni High School's matric Exhibition

This exhibition is displayed annually as the education department utilizes the Museum Display to adjudicate the quality of their Grade 12 Pupils.

In total 26 students works were on display.

August 2013 – September 2014: Northern KZN Craft Work

In conjunction with Natal Arts Trust and the Vukani Museum in Eshowe, we collect craft work from the northern /Zululand region. This collection is housed at the Empangeni Museum and is displayed on an annual or biannual basis depending on the program of the year.

LIBRARIES

Scholars and students once again overcrowded our Libraries, doing research and making use of our **study facilities**. All our libraries are really not big enough and the group activity rooms are now also used for additional study space. Library staff are also constantly assisting children and searching for **information**. This cover a wide spectrum of topics ranging from challenging **projects** such as cloning, greenhouse effect, different cultures, diseases, political factors affecting HIV Aids, environment, teen pregnancy, local government, poverty, earthquake in Japan, budget speech computers,Nelson Mandela, etc. This kept the Library staff on their toes and forever looking for information.

Saturdays are the busiest days ever as literally thousands of people are visiting our Libraries.

The use of the ever so popular **Internet and computer services** for research, sending e-mails, job hunting is increasing rapidly.

The **cyber cadets** in charge of the Internet computers at the 6 respective Libraries are also rendering a valuable service by training lots of people on "how to use a computer?' Some of these people have hardly seen computers let alone working/typing on it. The service is still free but users are paying for printouts. R2 for A4 black and white per page and R6.50 for a colour printout. Ngwelezane, Empangeni and eNseleni Libraries all

received **6 more computers, tables and chairs from the Department of Arts and Culture.**

Although the circulation figures are not as high as previous years the **in house use** of all our Libraries are on the increase. It is noticeable that more and more people are using all our services and facilities at all the Libraries.

New furniture was bought for Empangeni, eSikhaleni and Ngwelezane Libraries. Brackenham Library received new study tables. At the Richards Bay Library a much needed **fence** was erected. The extension of eSikhaleni Library is currently in progress.

Gamings at our Libraries are extremely popular. So far eSikhaleni and Ngwelezane received Toys and electronic equipment e.g. Nintendo WII and Xboxes from the Department of Arts and Culture.

The eSikhaleni Library is also providing a **Library for the Blind** and approximately 45 people are making use of this service.

ENVIRONMENTAL SERVICES

Maintenance was performed throughout the uMhlathuze area in the form of:

1 Grass cutting

- All suburbs: Verges, parks and open spaces were maintained proximately in a 2-3 weeks cycle. In the past, the cycle was every 6 weeks but due to public demand the period was reduced to 2-3 weeks. This resulted in a reduction of complaints.
- The Suburbs of Meerensee, Arboretum, Veldenvlei, Wildenweide, Birdswood, Brackenham, Vulendlela and Empangeni were assisted by the residents maintaining their own verges. In the rest of the suburbs Council maintain the majority of verges.

2 Tree maintenance and bush clearing.

- Due to an increase of criminal and various other similar activities, special attention was focus to eliminate potential hiding areas in the form of overgrown bushes and other risk areas.

- Trees were pruned in streets and removed where it was a potential risk to the public and property.
- Various sub-contractors were employed to assist with the above function with great success.

3 Tree planting

Trees Planted during the 1st Quarter:

No	Date	Area Description(House Nr)	Name of Tree		Common Name	Type
			Genus	Species		Indigenous
1	5/09/2013	Arboretum Primary School	Grewia	occidental is	Cross-berry	14
2	05/09/2013	Arboretum Primary School	Spirostachys	Africana	Tamboti	7
3	05/09/2013	Arboretum Primary School	Ekebergia	capensis	Cape ash	8
4	05/09/2013	Aquadene Secondary School	Grewia	occidentalis	Cross-berry	10
5	05/09/2013	Aquadene Secondary School	Spirostachys	africana	Tamboti	3
6	05/09/2013	Aquadene Secondary School	Ekebergia	capensis	Cape ash	4
7	05/09/2013	Aquadene Secondary School	Croton	sylvaticus	Forest fever berry	2
8	05/09/2013	Aquadene Secondary School	Afzelia	quanzensis	Pod mahogany	3
9	05/09/2013	Aquadene Secondary School	Kigelia	africana	Sausage tree	3
10	05/09/2013	Aquadene Secondary School	Syzygium	cordatum	Water berry	3
11	05/09/2013	Aquadene Secondary School	Ensete	ventricosum	Wild banana	2
12	05/09/2013	Aquadene Secondary School	Harpephyllum	caffrum	Wild plum	5
13	05/09/2013	Aquadene Secondary School	Millettia	grandis	Umzimbeet	1
14	05/09/2013	Aquadene Secondary School	Clausena	anisata	Horsewood	1
15	18/09/2013	Floreton Primary School	Croton	sylvaticus	Forest fever berry	2
17	18/09/2013	Floreton Primary School	Afzelia	quanzensis	Pod mahogany	2
18	18/09/2013	Floreton Primary School	Kigelia	africana	Sausage tree	2
20	18/09/2013	Floreton Primary School	Syzygium	cordatum	Water berry	2
21	18/09/2013	Floreton Primary School	Harpephyllum	caffrum	Wild plum	2
TOTAL						76

Trees Planted during the 2nd quarter:

No	Date	Area Description(House Nr)	Name of Tree		Common Name	Type
			Genus	Species		Indigeneous
1	21/11/2013	LOT 395	Trichilia	dregeana	Forest mahogany	7
2	22/11/2013	LOT 395	Harpephyllum	caffrum	Wild plum	10
3	23/11/2013	Lot 15825	Trichilia	dregeana	Forest mahogany	10
4	23/11/2013	Lot 15825	Harpephyllum	caffrum	Wild plum	13
5	25/11/2013	Along lot 17438	Trichilia	dregeana	Forest mahogany	40
6	26/11/2013	Along lot 17438	Harpephyllum	caffrum	Wild plum	37
7	26/11/2013	Lot 2282	Harpephyllum	caffrum	Wild plum	16
8	26/11/2013	Lot 2282	Trichilia	dregeana	Wild plum	7

No	Date	Area Description(House Nr)	Name of Tree		Common Name	Type
			Genus	Species		Indigeneous
9	29/11/2013	Lot 11161	Trichilia	dregeana	Forest mahogany	**6**
10	04/12/2013	Lot 13202	Harpephyllum	caffrum	Wild plum	**13**
11	04/12/2013	Lot 13206	Trichilia	dregeana	Forest mahogany	**9**
12	04/12/2013	Lot 464	Trichilia	dregeana	Forest mahogany	**20**
13	29/11/2013	Along lot 17438	Harpephyllum	caffrum	Wild plum	**12**
14	27/11/2013	East Central Arterial	Washingtonia	rubusta		**57**
15	28/11/2013	North Central Arterial	Washingtonia	rubusta		**29**
17	28/11/2013	East Central Arterial	Washingtonia	rubusta		**14**
TOTAL						**300**

Trees Planted during the 3rd quarter:

No	Date	Area Description(House Nr)	Name of Tree		Common Name	Type
			Genus	Species		Indigeneous
1	13/01/2014	eSikhaleni Cemetery	Celtis	Africana	white stinkwood	**60**
2	15/01/2014	eSikhaleni Cemetery	Ekebergia	capensis	Cape ash	**60**
3	22/01/2014	eSikhaleni Cemetery	Trichilia	dregeana	Forest mahogany	**30**
TOTAL						**150**

Trees Planted during the 4th quarter:

No	Date	Area Description(House Nr)	Name of Tree		Common Name	Type
			Genus	Species		Indigenous
1	7/04/2014	Fukwe Street	Herpephyllum	caffrum	Wild plum	34
2	09/04/2014	Louis Botha Avenue	Herpephyllum	caffrum	Wild plum	20
3	10/04/2014	Mtuba Road	Herpephyllum	caffrum	Wild plum	15
4	26/05/2014	Nkoninga	Herpephyllum	caffrum	Wild plum	**30**
5	27/05/2014	Nkoninga	Herpephyllum	caffrum	Wild plum	**30**
6	28/05/2014	Nkoninga	Trichilia	dregeana	Forest mahogany	**23**
7	29/05/2014	Pelican Parade	Herpephyllum	caffrum	Wild plum	**30**
8	30/05/2014	Wagtail Walk	Trichilia	dregeana	Forest mahogany	**35**
9	02/06/2014	eNseleni Hall	Trichilia	dregeana	Forest mahogany	**14**
10	03/06/2014	Biyela Street	Trichilia	dregeana	Forest mahogany	**17**
11	05/06/2014	Ngwelezane Highway(Entrance)	Trichilia	dregeana	Forest mahogany	**31**
12	06/06/2014	Rex Henderson	Acacia	xanthophloea	Fever tree	**39**
13	09/06/2014	John Ross Highway(Hillview)	Acacia	xanthophloea	Fever tree	**20**
14	10/06/2014	John Ross Highway(Hillview)	Acacia	xanthophloea	Fever tree	**20**
15	10/06/2014	Alumina Allee	Acacia	xanthophloea	Fever tree	**17**
17	18-19/06/2014	North Central Arterial	Trichilia	dregeana	Forest mahogany	**57**
18	17-18/06/2014	Via Verbena(Sport field	Trichilia	dregeana	Forest	**24**

No	Date	Area Description(House Nr)	Name of Tree		Common Name	Type
			Genus	Species		Indigenous
		verge)			mahogany	
20	20/06/2014	Premium Proment(SAPS verges)	Trichilia	dregeana	Forest mahogany	**12**
21	18/06/2014	North Central Arterial	Acacia	xanthophloea	Fever tree	**7**
TOTAL						**475**

4 Technical maintenance

- The total maintenance expenditure for this line function was R875 978 plus R38 393 for capital replacements excluding labour and repairs to other sections equipment in Council.
- 12 new Ride on Mower were purchase at a price of R906 300 during this financial year, which will assist in up keeping the town.

Total expenditure for the Parks Maintenance which includes maintenance of Municipal offices, is R50 million.

Cemeteries

Number of Burials conducted in the Cemeteries

- eSikahleni 330
- Richards Bay 317
- eNseleni 38
- Empangeni 1

- **The total number of burials amount to 686**

Council maintains 5 Cemeteries at an expenditure of approximately R8.3 million
Income of R482 000

Capital projects 2013/2014

Capital expenditure for this section amounts to 96% of its total allocated Capital Budget for the year.

Development in Cemeteries

- Richards Bay: A section of land was developed north-east of the existing cemetery at a cost of R590 233. Development of road infrastructure will continue in the 2014/2015 financial year**.**
- eSikhaleni: Night-lights and a security house were developed at a cost of R85 189.

DEPARTMENT OF CITY DEVELOPMENT

DEVELOPMENT ADMINISTRATION

The section is responsible for the administration and evaluation of applications submitted in accordance with the new KwaZulu-Natal Planning and Development Act, 2008, which commenced on 1 May 2010. Applications may include rezoning, subdivision and consolidation of land, development of land situated outside scheme areas, phasing or cancellation of approved layout plans for subdivision or development of land, the alteration/suspension/deletion of restrictions relating to land and permanent closure of municipal roads and public places.

The section attended to the following applications received from external applicants (thus excluding Council's own applications) during 2013/2014 in comparison with 2012/2013:

	RICHARDS BAY			**EMPANGENI**			**TOTAL**
	Rezoning	**Sub-division / Consolidation**	**Combined Application (e.g. rezoning and subdivision)**	**Rezoning**	**Sub-division / Consolidation**	**Combined Application (e.g. rezoning and subdivision)**	
01/04/2014 – 30/06/2014	**1**	**1**	**2**	**0**	**0**	**1**	**5**
01/01/2014 – 31/03/2014	1	4	0	1	0	0	6
01/10/2013 - 31/12/2013	2	0	2	0	0	1	5
01/07/2013 - 30/09/2013	0	1	1	1	2	0	5
01/04/2013 - 30/06/2013	2	2	1	1	1	1	8
01/01/2013 - 31/03/2013	1	0	3	2	0	3	9
01/10/2012 - 31/12/2012	3	1	3	0	0	0	7
01/07/2012 - 30/09/2012	1	4	3	0	0	4	12

The following important development projects relating to Council-owned land were finalised by the Development Administration Section during 2013/2014:

THE NEW UMHLATHUZE LAND USE SCHEME

In terms of Section 4(1) of the KZN Planning and Development Act, 2008, each Municipality must adopt a scheme or schemes for its entire area of jurisdiction by May 2015.

The uMhlathuze Municipality therefore drafted the “uMhlathuze Land Use Scheme”, which aimed to:

a) Replace the existing Richards Bay, Empangeni and Dumisane Makhaye Village town planning schemes; and

b) Implement a scheme for those areas which were previously not covered by a town planning scheme, excluding areas which are subject to the Subdivision of Agricultural Land Act (Act 70 of 1970).

An extensive public participation process was followed and Council subsequently adopted the new uMhlathuze Scheme, which became effective on 7 January 2014.

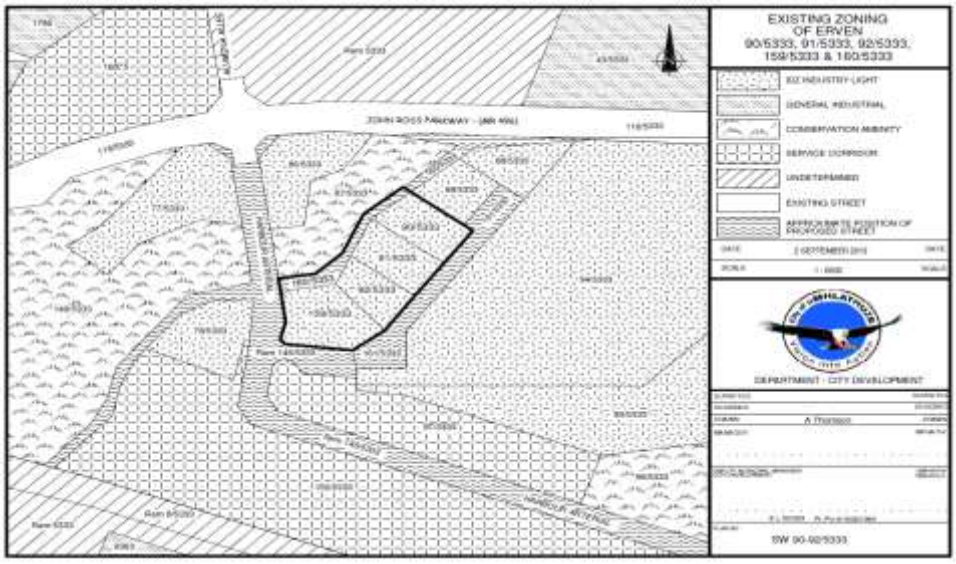
REZONING AND ALIENATION OF THE RICHARDS BAY TRUCK STOP

The need to establish a “Truck Stop” facility had been known for some time. During 2010, Council’s consultants UWP in their report entitled “Public Transport Amenities Study : Truck Stop Investigation Report” concluded that in identifying land for one or more truck stops within the uMhlathuze Municipal Area, there were two possible approaches:

- Provide one large truck stop, in the Richards Bay Industrial Development Zone for all trucks, since this area would be along all the trucks routes; and

- Provide one truck stop in Empangeni and one or two truck stops in Richards Bay.

The Council agreed to the approach of establishing a 150-truck Multi-Franchise Fuel Bowser establishment located in the Richards Bay IDZ Phase 1B area, adjacent to the Harbour Arterial, being Portions 90, 91, 92, 159 and a portion of Portion 160 of Erf 5333, Richards Bay, as indicated in the Figure below.



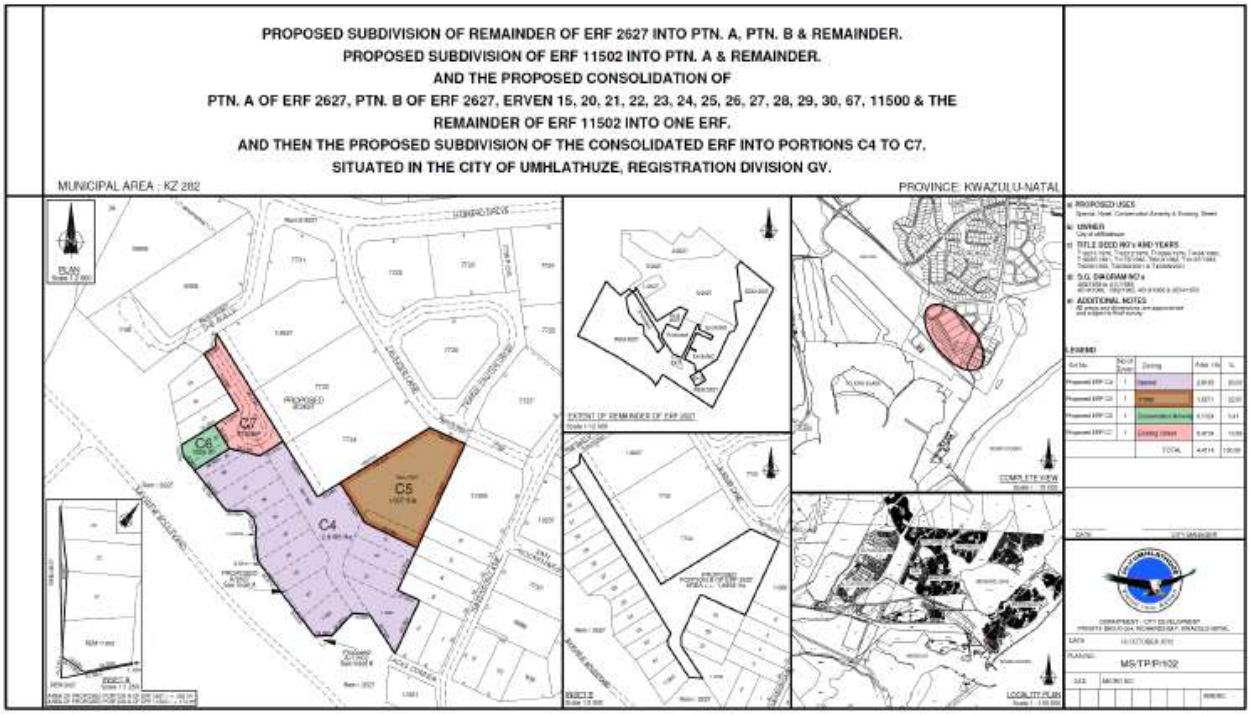
The property was appropriately zoned by means of Council Resolution 9035 of 26/11/2013.

Tender 8/2/1/983 relating to the long-term lease of Portions 90, 91, 92 and 159 of Erf 5333, Richards Bay, for the establishment of the Richards Bay Truck Stop is in its final stages of being awarded, where after the successful bidder will start with the relevant specialist studies and development plans required for development of the sites.

THE RIDGE

During October 2011, Council adopted a vision document for the development of the area known as “The Ridge”, situated in the suburb of Meerensee along Andrews Lane.

On 13/08/2013, Council in accordance with Resolution 8734 supported various processes that must be finalized in order to develop “The Ridge” as indicated in the figure below:



As part of the process, Portion C4 has been zoned for a mixed-use development, Portion C5 has been zoned for a hotel development, Portion C6 has been reserved for public enjoyment with a zoning of conservation and Portion C7 will provide access to the development (road).

The Council is currently awaiting the decision of the Department of Cooperative Governance and Traditional Affairs relating to the permanent closure of a portion of road (undeveloped), and will then commence with the finalisation of the township establishment procedures.

It is anticipated that the properties (C4 and C5) will be alienated following a public tender process at an appropriate time in the future.

TOWNSHIP ESTABLISHMENT – MANDLAZINI VILLAGE

The municipality inherited a sub divisional layout plan by means of which beneficiaries were allocated land. The layout plan was approved by the Minister of Rural

Development and Land Reform in March 2011, and was accepted by the Mandlazini Community Trust (minutes dated 2 July 2013).

The Mandlazini Community Trust gave Power of Attorney to the uMhlathuze Municipality to finalise the KZN Planning and Development Act (PDA) application for the original layout.

On 13/11/2013, Council in accordance with Resolution 8952 supported the subdivision and rezoning of Erf 13227, Richards Bay, to reflect the following:

- Use Zone I: Special Residential 1 – 589 individual sites
- Use Zone XVI: Educational – 2 sites
- Use Zone XXII: Civic 2 – 2 sites
- Use Zone XVII: Devotional – 3 sites
- Use Zone XX: Private Open Space – 10 sites
- Existing Roads – Various

The Council is awaiting the approval of the General Plan, where after the process to allocate land to rightful beneficiaries could commence.

TOWNSHIP ESTABLISHMENT – MZINGAZI VILLAGE

On 28/01/2014, Council in accordance with Resolution 9058 supported the subdivision and rezoning of Portions 49 and 54 of Erf 5333, Richards Bay, to reflect the following:

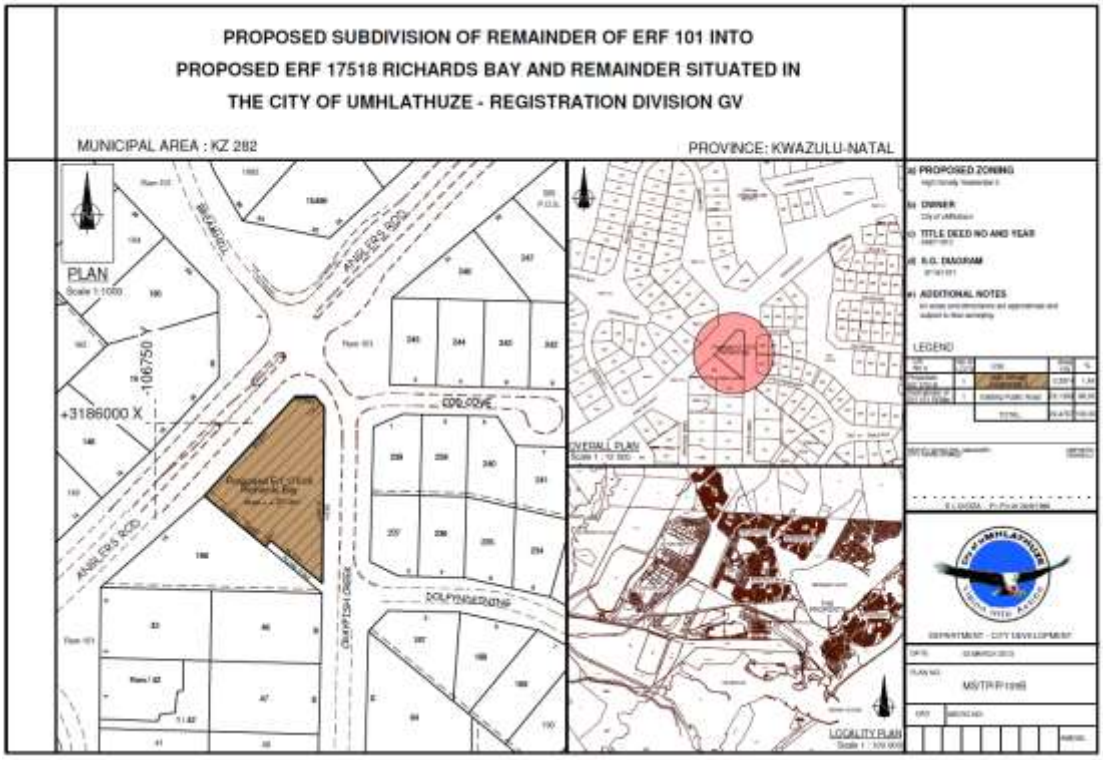
- Special Residential – 282 individual sites;
- Limited Commercial – 3 sites;
- Educational Facilities – 3 sites;
- Civic Facilities (Municipal or Educational) – 1 site;
- Places of Worship – 3 sites;
- Private Open Space – 1 site;
- Undetermined – 2 sites; and
- Roads – 1 (being the remaining extent of Portion 54 of Erf 5333, Richards Bay).

The Council is awaiting the approval of the General Plan, where after the process to allocate land to rightful beneficiaries could commence.

PROPOSED NEW INTERSECTION BETWEEN ANGLER'S ROD AND CRAYFISH CREEK / BREAMHILL

The current staggered intersection configuration between Angler's Rod, Crayfish Creek and Breamhill is not ideal, and may be dangerous. A new intersection configuration was therefore proposed.

On 24 June 2014, Council approved in accordance with Resolution 9366 the subdivision the Remainder of Erf 101, Richards Bay, into designated Erf 17518, Richards Bay and the Remainder, and the subsequent rezoning of designated Erf 17518, Richards Bay, to High Density Residential 3. Designated Erf 17518 will be created as a direct result of the re-alignment of the intersection.

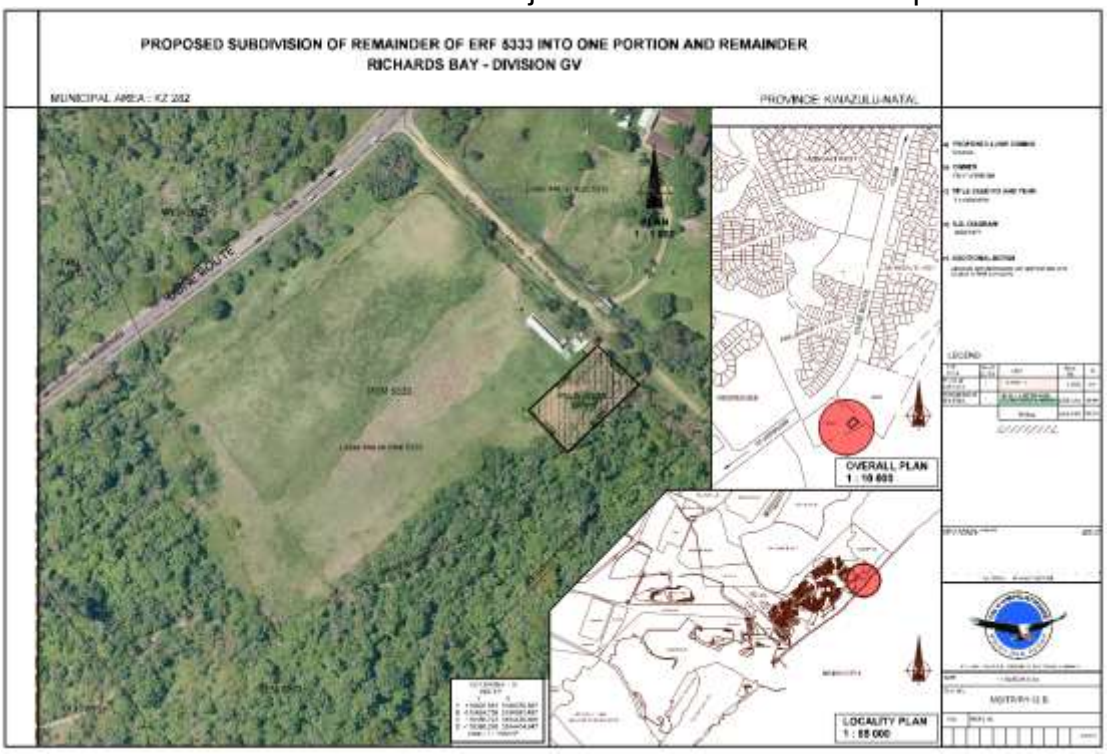


The Council is currently investigating options to fund the new intersection.

NEW PORTNET LIGHTHOUSE SITE

The existing Richards Bay Lighthouse is located on Portion 4 of Erf 5333, Richards Bay and is owned by Transnet SOC Ltd. Concern was raised during 2009 that dune slumping due to ongoing beach erosion may cause the Lighthouse structure to be undermined and to collapse.

Consequently, a decision was arrived at to relocate the Lighthouse and its supporting infrastructure to an alternative site adjacent to the Meerensee Equestrian Club.



On 24 June 2014, Council approved in accordance with Resolution 9367 the subdivision and rezoning of a portion of the Remainder of Erf 5333, Richards Bay, in order to make provision for the construction of the new Lighthouse.

SUMMARY OF PLANS USED
Truck Stop – DMS 899271
The Ridge – DMS 861451
Mandlazini Village – DMS 858994
Mzingazi Village – DMS 909919 and 909915
Lighthouse – DMS 946813
Breamhill Interchange – DMS 945763

LAND USE MANAGEMENT

DEVELOPMENT CONTROL

The Land Use Management Section deals mainly with the built environment and works towards making sure that all properties (particularly those within the Scheme area) within the City of uMhlathuze are utilized for their intended purposes and provides oversight in the changes in land use and construction thereof. If the latter is found not to be, happening then it is dealt with in this section via certain mechanisms, which are prescribed in the Land Use Management Scheme. *And* with the assistance from Legal Services where applicable.

LAND USE CONTRAVENTIONS

With the permanent employment of two individuals in the positions of Professional Planner and Town Planning Inspector, the number of illegal land use contraventions that have been identified and dealt with has increased. The latter has resulted in either the activities:-

1) having ceased to exist;
2) applications to legalize the contraventions being submitted, or;
3) The contraventions being dealt with by the legal department.

BUILDING PLANS

The turnaround time for processing building plans has reasonably improved, with very few complaints being received from the public.

LAND USE MANAGEMENT SCHEME

The new uMlhathuze Land Use Scheme , whereby development rights of land owners located within the City of uMhlathuze will be controlled and guided, has been finalized and became effective on 7 January 2014.

This scheme replaced the Richards Bay, Empangeni and Dumisane Makhaye Village town planning schemes, creating simplified control mechanisms without compromising the amenities of the towns.

Several contraventions, such as illegal land uses, have been addressed. General inspections revealed several contraventions, some of which resulted in legal action

being instituted against the landowners. It has also resulted in many special consent- and formal authority applications being submitted in cases where such land uses could be permitted via the correct and successful application procedure. Various rezoning applications were also dealt with, resulting in new developments and positive growth points around the City.

Comments were given on building plans, which were circulated for approval and resulted in consultations with numerous land owners, developers and architects to verify the permissible development rights of properties. As part of the internal approval process, inputs were given on several land use and lease applications whereby consideration was given to information submitted by applicants who wished to lease Council land, for various purposes, including functions, circuses, weddings, meetings, promotions, etc.

OUTDOOR ADVERTISING

Advertising Media Reaching the Widest Audience in the Shortest Period of Time

Council's Outdoor Advertising By-laws are aligned with the South African Manual for Outdoor Advertising Control (SAMOAC). It is synchronized with town planning, catering for clients in location, size and format, because if not managed correctly, outdoor advertising can have a major impact on the environment and negatively influence road safety. Outdoor Advertising fulfils an important role in promoting businesses and provides Council with various benefits, not the least of which is financial. It also opens up opportunities for the private sector to participate in a process whereby various types of advertising media can be applied for, which in turn also provides service providers with an opportunity to benefit financially as well as gain the necessary exposure. OHMSA (Out Of Home Advertising South Africa) is a private association promoting the abidance of its members by government legislation and to follow the correct procedures for erecting billboards. It is determined to uphold the good name of the outdoor advertising industry and has made it its mission to help the fight against industry players who persist in erecting illegal billboards.

Advertising not only boosts a professional appearance while fitting in with the Metropolis status, it also improves the aesthetics of the City of uMhlathuze. The majority of people will quite naturally focus on an outdoor advertisement in comparison to the same ad in newspapers, television or on the radio. Stuck in traffic or waiting at a bus stop, the human eye will rapidly fixate on an outdoor advertising sign to help pass time and alleviate boredom. Thus, positioning of advertisements at busy intersections, along main roads or in industrial areas prone to high volumes of traffic is ingenious.

The Advertising Signs By-laws also make provision for organisations to advertise their events and activities so that the community is made aware of social, religious and sport fundraising events. The various platforms of advertising i.e. Billboards, LED screens, indoor television screens at various Council outlets with high clientele, such as the rates and traffic halls in Richards Bay, Empangeni and eSikhaleni, have enveloped our landscape and have a unique visual appeal. Mobile billboards and inflatable billboards are termed as ambient media. Designs are also compact, meaning no more untidy clutter at numerous road signs. Service providers need extensive knowledge of the industry to cater for the needs of clients. Every facet of operation, management and sales for advertising units should be applied in order to achieve maximum income to Council.

The City Development Department is continuously moving towards establishing the same standards of management and control throughout the City in respect of outdoor advertising so as to expose more opportunities to the outlying suburbs such as eNseleni, Ngwelezane, Vulindlela and Felixton. Application fees, rentals and approval fees amount to R2 547 869.36 with temporary advertising amounting to R96 751.76 giving income received on Outdoor Advertising in the sum of R2 644 621.12 for the 2013/2014 financial year.

PROPERTY ADMINISTRATION

GENERAL OVERVIEW

The municipality's land which is not needed to provide the minimum level of basic municipal services and which is surplus to the municipality's requirements, in a manner that primarily promotes Broad Based Black Economic Empowerment through property ownership and development.

Section 14(2) of the Municipal Finance Management Act (MFMA, 2003) authorizes the Council to decide on reasonable grounds during a Council meeting that is open to the public, whether a capital asset is needed for the provision of the minimum level of basic municipal services or not so needed, and to consider the fair market value of the capital asset and the economic and community value to be received in exchange of a transfer of ownership of the capital asset.

To enable Council to take an informed decision on the possible transfer of ownership of its land and buildings as provided for in section 14(2) of the MFMA, the Department of City Development (Estate Administration) must compile a list of all Municipal Land and Buildings which will contain at least the following information in respect of each piece of land and building.

ALIENATION OF ERVEN 7427, 7428 AND 7436 (SWORD FISH AND KOLSTERKRING) MEERENSEE, RICHARDS BAY BY PUBLIC TENDER FOR DEVELOPMENT OF THE NEIGHBOURHOOD MALL

These three properties with the total extent of 17 137m^2 were advertised and closed on 25 April 2014 at an upset price of R 6 500 000.00.

The intention of this project was to sell all three properties to one developer for a single development and to include a Petrol Filling Station by swapping properties in terms of their zoning. Currently the Garage site is not on a strategic location. These three properties have been awarded to a developer and the development is underway.

Upon transfer of the properties, the developer will have to comply with certain conditions of Township Establishment procedures in accordance with the vision of Council.

ALIENATION OF PORTION 2 OF ERF 11376

The Richards Bay IDZ (Pty) Ltd was established and allocated land to purchase for purposes of industrial development. Some portions of land were nevertheless not purchased by the IDZ Company and therefore had been reverted back to Council.

Portion 2 of ERF 11376 was initially earmarked for sale to Pulp United. This area forms part of IDZ 1D although the saleable area only measures 65ha of the total IDZ Zone 1D area of 169ha.

The tender for the alienation of this portion was advertised and closed on 1 August 2014 at an upset price of R 44 000 000.00. An offer of R44 000 000.00 was received and a 20% deposit of R8 800 000,00 was paid to Council. Only three bids were received, and it is at an advanced stage of awarding.

PROPOSED ESTABLISHMENT: SHOPPING CENTRE: NSELENI

Council owned a piece of land situated between Indlovu Road and the municipal offices at Nseleni, with a view of consolidating the erven with a number of privately owned commercial erven located in the precinct, to enable the building of a contiguous modern shopping complex, with due cognisance that such development will only be possible if the negotiations to acquire the said privately owned erven, are successful; and to consider the procedure to be followed to enable the development to be pursued.

This land was awarded to LST Investment CC for the purpose of developing the Shopping Centre subject to the conditions of township establishment. All these conditions have now been complied and the developer is expected to take transfer of Council owned properties before the end of 2014.

Indeed this was a difficult development to put together due to the acquisition of privately owned properties some under the ownership of the deceased estate. LST Investments CC have since ceded the development of eNseleni Shopping Mall to another developer, Council gave consent to the cession. The development is expected to commence shortly.

ALIENATION OF VACANT LAND IN BRACKENHAM

Council was offered residential and worship sites in Brackenham by the Department of Human Settlements as far back as 2001. Council was to alienate these properties on Council's terms. The criterion and conditions were thus approved and all 125 properties were alienated accordingly.

A two year building clause applied, where a dwelling must be erected within 2 years from the date of purchase, failing which the property in question will revert to Council in terms of Section 233(a)(b) and 233(10) of the Ordinance;

23 property owners did not comply with this clause; and sites were to be transferred back to council.

It is worth noting that Council resolved in March 2014, that the Council Resolution of August 2013 that deals with repossession of the properties be rescinded. This project is at the stage whereby the Department of Human Settlement is to support the decision of Council. Thereafter, the affected property owners will be informed about the decision to remove the restrictive two-year building clause from their Title Deeds.

Verbally the Department have supported the decision. Therefore, a positive response is expected.

INCOME RECEIVED BETWEEN JULY 2013 AND JUNE 2014

QUARTER	INCOME (VAT EXCL.)
JUL – SEPT 2013	550 000.00
OCT – DEC 2013	1 069 789.40
JAN – MAR 2014	9 797 871.00
APR – JUN 2014	NIL
TOTAL	**R11 417 660.00**

PROPERTY LEASING

LEASES ADMINISTERED BY THE SECTION

Public Open Spaces Leases	187
Adopt-a-Spot Leases	6
Agricultural Leases	7
Arts and Crafts Leases	1
Encroachment Leases	55
Advertising Leases	34
Diverse Leases – Commercial	41
Diverse Lease – Social	28
Diverse Lease – Infrastructure	29
Esikhawini Hostels	214
Total Leases	**602**

A total annual income generated on the above leases is approximately R 9 320 128.00 including the eSikhaleni Hostels.

Council has embarked on a process to regularize lease agreements with the aim of rectifying the various anomalies and placing such leases into the correct rental categories in accordance with Council's approved Policy.

LONG TERM LEASING OF A TRUCK STOP FACILITY

In 2010 Council conducted a study, through consultants, and compiled a report entitled "Public Transport Amenities Study : Truck Stop Investigation Report" which investigated possible approached in identifying land for one or more truck stops within the uMhlathuze Municipal Area:

- Provide one large truck stop, in the Richards Bay Industrial Development Zone for all trucks, since this area would be along all the trucks routes; and
- Provide one truck stop in Empangeni and one or two truck stops in Richards Bay.

The approach of establishing a 300 truck Multi-Franchise Fuel Bowser establishment in the Richards Bay IDZ Phase 1B area, adjacent to the Harbour Arterial, being Portions 90, 91, 92 and 159 of Erf 5333, Richards Bay was then implemented. A long term lease was advertised and closed on 30 April 2014.

This Truck Stop Facility will provide for the needs and wellbeing of truck drivers entering Richards Bay. The Truck Stop will include convenience shopping, a restaurant and take-away facilities, overnight facilities, a launderette, internet café, clinic, a refuelling facility, mechanical workshop and truck washing area, waste management area and any other use allowed by the Land Use Management Scheme in respect of the site zoning.

It is anticipated that it will be fully functional in August 2016, hence the developer has 24 months from the date of signing the Deed of Lease to finalize the site development.

PROPERTY VALUATION

Valuation Section is responsible valuing of immovable properties for rating purposes.
The Municipal Property Rates Act No. 6 of 2004 was implemented in order to provide for a standard basis of valuation across South Africa. The MPRA is a national law that regulates the power of a municipality to value and rate immovable properties (that is building and land) located within the boundaries of a municipality.

The Second Cycle: General Valuation was published on 26 April and 4 May 2013, in three languages for two consecutive weeks in the Zululand Observer and Gazette. The GV consists of 34 750 properties with a total value of R 36 112 145 950.00

Section 49 notices for the Valuation Roll were sent on 26 April 2013 and were dated for 1 May 2013. Due to the Post Office strike in the month of May 2013 the balance of notices were only posted later on the 17th May 2013. The Council decided to extend the objection period to accommodate rate payers from 7 June 2013 to 28 June 2013.

The number of objections that were received came to approximately 1471, all of which were dealt with except for two, Tata Steal and Mondi. Following the closing date of objections for the GV Council furthermore decided to accommodate rate payers by allowing them to query their valuations should they have missed the objection period, queries were accepted from 1 October 2013 till closing of GV: Second Cycle in June 2016.

A number of 111 queries have thus far been received and processed. Council has already embarked on the 10 % review phase since the 18th November 2013, however, in December 2014 GOGTA advised the Municipality that a new VAB would be appointed to proceed with the reviews.

BUSINESS SUPPORT, MARKETS AND TOURISM

AGRICULTURAL SUPPORT

HOSTING OF THE ANNUAL AGRICULTURAL MARKET DAY

Every year Council hosts the Annual Agricultural Market Day which is the event that is organized in assisting the small scale farmers supported by Council to be able to sell their produce and get exposure.

A total number of 30 cooperatives participated during the Annual Agricultural Market Day 2013 hosted as from 26 – 28 September 2013.

MENTORSHIP PROGRAMME TARGETING SMALL MEDIUM MICRO ENTERPRISE

The City Development Department (Business Support, Markets and Tourism Unit) initiated a Mentorship Programme targeting potential or existing entrepreneurs to start new businesses or expand their existing businesses. The Programme covered the Tendering Procedure and Business Financial Management.

An advertisement was published in the local media, on Council's website and Notice Boards inviting interested businesses to forward their applications to be considered for the mentorship programme. Ten SMME's were selected and participated in the Mentorship Programme over a period of three months.

The objectives of the Mentorship Programme are:

1. Capacity Building initiative.

2. Capacitating the SMME's on preparing and completion of tender documents.

3. Enabling SMME's to implement pricing and costing principles, determining income and expenditure of a new venture and identify resources to obtain start-up capital

The selected mentees are as follows:

No	Surname	Name	Business Physical address
1	Buthelezi	Nokwazi	139 Krewelkring, Meerensee, 3901
2	Mnqayi	Nomusa	117 Asplenium Grove, Brackenham, Richards Bay
3	Ngema	Bongekile	H634, Igqungqulu Street, eSikhaleni,3887
4	Ndaba	Musa	50 Durnford Road, Empangeni, 3880
5	Ndelani	Fikile	Mkhoma Reserve, eNseleni
6	Zwane	Jabulisa	H 2778 Sanqawe, eSikhaleni, 3887
7	Gumede	Bridget	Lot 13311 Mandlazini Village
8	Sibisi	Nonkululeko	Suite 22, Quay Walk, Tuzi Gazi
9	Magqirana	Andile	Absa Building, Office 6 Second floor Lakeview Terrace, Richards Bay
10	Phungula	Sakhile	No 9 West Central Arterial, Richards Bay, 3900

INFORMAL TRADING

MENTORSHIP PROGRAMME TARGETING INFORMAL TRADERS

The City Development (Business Support ,Markets & Tourism unit) initiated the Mentorship Programme which is the intervention undertaken to assist the Informal Traders to grow their businesses and enable them to realize opportunities within the SMME Sector. The programme is packaged as follows:

Programme Methodology

The consultation was conducted with the Informal Traders trading within the Municipal jurisdiction. A total number of ten (10) informal traders trading within the Municipal jurisdiction ready to graduate and be Small Medium Micro Enterprises (SMME's) were identified and selected to undergo the mentorship programme.

Mentorship Programme was provided to ten (10) informal traders over a period of three months. The programme was conducted in English & IsiZulu language.

Programme objectives:

- Capacity Building initiative
- Understanding the challenges faced by the Informal traders and find creative ways of overcoming them.
- Assisting the informal traders to graduate and realize the opportunities within the Small Medium Micro Enterprise Sector.

The Mentorship Programme covered the following topics:

1. Manage Business
2. Personal Finance / Budgeting
3. Administration / Record Keeping
4. Business Legal Requirements and Tendering / Costing

The Following Informal Traders are participating on the programme:

NO.	SURNAME AND NAMES	AREA OF TRADE
1	Mkhwanazi Ziphi Gloria	Taxi city-R/Bay
2	Baliram Jaichund	Checkers Markets-R/Bay
3	Mdlalose Linda	Lac centre, Meerensee
4	Sicwe Mbuyiseni	Esikhaleni Mall
5	Ndabeni Thulani	eNseleni Shopping centre
6	Dube Zanele	B Rank, Empangeni
7	Khumalo Sebenzile	B Rank, Empangeni
8	Nyandeni Sthembiso	Ngwelezane Rank
9	Mnguni Siyanda	Commercial Street, Empangeni
10	Shandu Thuli	Lot 63,Empangeni

Construction of Informal Trading Stalls

Grant funding worth R7 000 000, 00 (seven million rands) was received from the Department of Co-operative Governance and Traditional Affairs (COGTA) and is being utilised towards the construction of a total number of 300 market stalls.

The objectives of the project are:

1. Provision of decent infrastructure.
2. Creation of employment to community members who cannot be absorbed into the formal economy.
3. To create opportunities through economic growth and development and ensuring the upliftment of the community in order to achieve a safe, secure and healthy environment as identified in the Municipality's Integrated Development Programme.

The Project is divided into 3 phases:

Phase 1: Construction of 100 market stalls at the Richards Bay Taxi City-

Construction of 100 market stalls at the Richards Bay Taxi City was completed in March 2014. The Honourable Premier of KZN, Mr E S Mchunu on 1 April 2014, conducted an official opening and handover of the market stalls to the beneficiaries of the project (Informal Traders). The total number of 100 Informal Traders benefited from the project. The newly built Informal Market structure has electricity, water, ablution facilities and customer seating area.

BEFORE CONSTRUCTION

AFTER CONSTRUCTION

HANDOVER OF TAXI CITY BY PREMIER OF KZN MR E S MCHUNU ON 1 APRIL 2014

Phase 2 : Construction of 100 market stalls at the Empangeni A Rank- Planned completion date is November 2014.

Phase 3 : Construction of 100 market stalls at the Empangeni B Rank - Planned completion date is September 2014.

TOURISM

UMHLATHUZE BEACH FESTIVAL

The beach festival was held on 16 December 2013. Its main aim was to showcase uMhlathuze as the destination of choice for family fun. National and Local artists performed for the crowds. Different Sporting codes competed, and there were jumping castles and slides for the children.

FORMATION OF THE UMHLATHUZE COMMUNITY TOURISM ORGANISATION

As per legislation, all municipalities must have a registered Tourism Association/ Organisation operating within its jurisdiction and all Tourism businesses must affiliate with said organization.

The uMhlathuze Tourism Inaugural General Meeting was held on the 4th of March 2014 where the committee was formed.

The first uMhlathuze CTO Meeting was held on the 18 of March where the Office Bearers were elected namely:

Chairperson: Prof. Thandi Nzama
Vice Chair: Ms Thembi Maseko
Treasurer: Mr Mandla Magagula
Secretary: Ms Lyn Govender – subsequently replaced by Ms Vanessa LeRoux

DEVELOPMENT AND ENVIRONMENTAL, SPATIAL

WETLAND MANAGEMENT PLAN INITIATED BY THE CITY OF uMhlathuze
Phase 1: Preparation of a Strategic Policy Framework

Against the backdrop of rigid legal requirements, the City of uMhlathuze has taken bold strides in becoming the first municipality in the country to initiate a policy framework to resolve on going conflict between wetland regulations and development imperatives. The occurrence of vast wetland systems within the municipality, under the ambit of stronger regulatory control, poses considerable limitations to spatial development and investor confidence in recent years. Meanwhile, the law governing wetlands remains resolute and unlikely to change. It hence became apparent for the need to commission an intergovernmental initiative - an initiative that will provide upfront decision-making tool around wetlands whilst promoting sustainable development. We needed a plan that was to identify which wetlands could be sacrificed and those that were clear 'No-Go' areas.

Essentially the wetland management plan is firmly underscored by the following principles:

1. Natural resources must be used sustainably;
2. Socio-economic systems are embedded within, and dependent on, ecosystems; and
3. Basic human needs must be met to ensure resources necessary for the long-term survival are not destroyed for short-term gain.

Figure 1: The City of uMhlathuze is a strategic location for national, regional development imperatives – there is pressure to 'unlock' development space to facilitate economic growth.

The wetland management plan however needed a legal basis, which emanated from the Environmental Management Framework, dated 2010. The EMF, is a legal tool for EIA decision making, and recommended such an intervention was required if the municipality was to achieve its development imperatives. Such a decision framework will assist Council to promote strict compliance with environmental legislation while implementing its local developmental mandate

Figures 2 and 3: The City of uMhlathuze is renowned for its surface water attributes and the rich biodiversity these systems support

A Challenging Regulatory Framework

- The national Environmental Management Act requires an EIA for the infilling of wetlands, which in strict accordance, covers 70 % of the city's land mass
- The National Water Act requires a Water Use License for any development within 500m of a wetland, which strictly applied, means that EVERY development application requires a water use licence
- Environmental authorities have adopted a "No-net loss" of wetlands policy, and the implementation of offsets as a mitigation measure has not been successful.

<u>Approach</u>

The initiative that was commissioned was the first phase of a comprehensive, holistic approach towards an integrated wetland management plan/strategy, which is to be implemented as follows:

Phase 1: Strategic Assessment and Policy Framework

Phase 2: Comprehensive wetland health assessment: Site/Catchment Level, Mitigation and Offset development

Phase 3: Legal Review and Adoption of Wetland Management Plan by authorities

By virtue of the respective mandates held in custody of the following authorities, either directly or indirectly governing wetlands, the following stakeholders were identified in Phase 1 as having a primary role in the implementation of this policy framework:

- uMhlathuze Municipality
- Department of Water and Environmental Affairs
- KZN Department of Economic Development, Tourism and Environmental Affairs
- Ezemvelo KZN Wildlife
- Department of Forestry and Fisheries

There has been firm commitment and support during the consultative process of Phase 1 of the wetland management plan. Phases 2 and 3 are likely to be championed and funded by the mandated authorities, where the provincial Department EDTEA was pledged support to possibly fund the project further. A business plan has been drafted and donor commitment will be discussed further in a Project Steering committee to be held in September.

ENVIRONMENTAL IMPACT ASSESSMENTS

Meanwhile the City of uMhlathuze remains committed to compliance with environmental legislation with the following EIA processes finalized and authorized by the Department of Economic Development, Tourism and Environmental Affairs

- Full EIA for CBD South Extention
- Basic Assessment for Alkanstrand Beach Expansion
- Basic Assessment for Mandlazini Sewerline, subject to further amendment applications

New EIA Regulations are expected to come into effect during the course of 2014, and with this, hopefully improved environmental management.

HUMAN SETTLEMENTS

ESIKHALENI HOSTELS REFURBISHMENT

The refurbishment of hostels is the programme funded by the Department of Human Settlements under the old Hostel Re-development Programme, which has now changed to Community Residential Units (CRU). One of the objectives of the programme was to promote human living conditions and include plans for accommodating those who are displaces by the project.

There are twenty (20) hostel blocks geographically spread throughout eSikhaleni. Each block consists of eighteen (18) units, bringing the total number of units to three hundred and sixty (360).

The first phase of the project was the conversion and refurbishment of the all hostel units , the second phase intends to replace of the asbestos roof covering (as the current project only included repair and cleaning), with the third phase intended for the landscaping, i.e. parking, grassing, subsoil drain system and play areas.

The municipality has the following hostel projects situated at eSikhaleni Township:

Hostel Name	**No. of Units**	**Status**
King Cetshwayo (H862)	36 (2 blocks)	Refurbishment complete
Chief Albert Luthuli (H395)	54 (3 blocks)	Refurbishment complete
Bhambatha (H396)	90 (5 blocks)	Refurbishment underway
Madala (J1169)	36 (2 blocks)	Refurbished
Sinqobile (J1083)	54 (3 blocks)	Refurbished
Sokesimbone (J223)	36 (2 blocks)	Refurbished
Impala (J464)	36 (2 blocks)	Refurbished

King Cetshwayo before and after (H862) – KZN Govan Mbeki Awards Recipient 2014

The municipality has appointed a Contractor for the refurbishment of Bhambatha Hostel (H396), this appointment is for refurbishment of two blocks (36 units), and the remaining three blocks will be refurbished on completion of the two blocks.
The Department of Human Settlements has advanced R20 million towards this project, and the anticipated completion date is June 2015.

URBAN HOUSING PROJECTS

Project Name	**No. of Units**	**Houses Built 12/13 fin yr**	**Houses Built 13/14 fin yr**
Dumisani Makhaye Village Phase 1-3	1191	1180	
Dumisani Makhaye Village Phase 5	313	313 *Complete*	

Project Name	No. of Units	Houses Built 12/13 fin yr	Houses Built 13/14 fin yr
Dumisani Makhaye Village Phase 7	548	379	136
Dumisani Makhaye Village Phase 6 and 8	1400 *(RDP, CRU, FLISP, SH)*	Planning Stage	
Aquadene	2311 sites *(RDP, CRU, FLISP, SH)*	Planning Stage	

RURAL HOUSING

The City of uMhlathuze has four (4) rural housing projects namely KwaMkhwanazi, KwaMadlebe, KwaDube and KwaBhejane / Khoza all situated within their respective Traditional Authority.

NEW HUMAN SETTLEMENTS BUILDING/OFFICES

The City of uMhlathuze is currently constructing new Human Settlements Offices at Empangeni Civic Centre; this is to house the Human Settlements personnel. Since the accreditation of the municipality as a level 11, this came with more responsibilities and necessitated the addition of staff to perform the additional duties assigned with this accreditation.

ACHIEVEMENTS

The City of uMhlathuze, Human Settlements Unit won two Provincial Govan Mbeki Awards administered by National Human Settlements,

- The best Community Residential Unit (CRU) project.
- The best accredited municipalities level II

DMS981153

DEPARTMENT OF INFRASTRUCTURE AND TECHNICAL SERVICES

ENGINEERING SERVICES

Sections Functioning under Engineering Services:

1. **Project Management Services**
2. **Fleet Section**
3. **Building & Structures Section**
4. **Infrastructure Asset Management**

1. Project Management Services

This section is responsible for the implementation of capital projects on behalf of other departments, which do not have the capacity to execute. The section also prepares specifications and tender documentation. The MIG Grants funding is also implemented by Project Management Unit (PMU) section. The section also deals with the coordination of Expanded Public Works Programme in which departments are responsible in terms of making sure that they create job opportunities in all budgets under the municipality that deals with service delivery.

Selected Major Projects under PMU

Project description	Budget Amounts (R)	Start Date	End Date
Esikhaleni Improvements Water Phase A	21,298,628	20 Aug 2013	30 Nov 2014
Esikhaleni Improvements Water Phase B	24,431,928	23 April 2013	31 Sept 2014
Esikhaleni Improvements Water Phase C	26,633,956	11 Sept 2013	28 Nov 2014
Esikhaleni Improvements Water Phase D	21,417,676	15 May. 2014	15 May 2015
Mkhwanazi Bulk Water Phase 5	22,659,774	01 April 2014	05 Dec 2014
Sanitation Phase IV – Khoza (15000 VIP)	9,563,299	17 Feb 2014	03 Apr 2015
Sanitation Phase IV Khoza (15000 VIP)	9,285,619	17 Feb 2014	03 Apr 2015
Sanitation Phase IV – Madlebe (18000 VIP)	10,975,517	06 Feb 2014	03 Apr 2015
Sanitation Phase IV – Madlebe (18000 VIP)	9,744,244	06 Feb 2014	03 Apr 2015
Sanitation Phase IV – Mkhwanazi (12000	5,951,996	17 Feb 2014	13 Mar 2015
Sanitation Phase IV – Mkhwanazi (12000 VIP)	5,857,301	17 Feb 2014	13 Mar 2015
Dube/Mkhwanazi South (1000 VIP)	5,244,649	17 Feb 2014	13 Mar 2015
Mandlazini Sewer	31,605,460	04 April 2014	25 Sept 2015
Rural Sanitation Top Structure A	111,628,797	05 Mar 2014	Sept 2017
TOTAL	**289,664,888**		

EPWP Infrastructure last Quarterly report per municipal project with demographics

Project Object ID	Public Body Ref No.	Days Worked (year)	Work opportunities (year)	Days Worked Women (year)	Days Worked Disabled (year)	Work opportunities Women (year)	Work opportunities Disabled (year)	Training Days Non-Accredited (year)	No. of Adult Men	No. of Adult Women	No. of Youth Men	No. Youth Women
1077130-EPWP2M	8-2-1-664	718	15	285	-	5		-	6	2	4	3
1078401-EPWP2M	8-2-1-669	502	10	-	-			-	3	0	7	0
1078433-EPWP2M	8-2-1-670	397	14	143	-	5		-	2	2	7	3
1078971-EPWP2M	8-2-1-671	857	15	319	-	6		-	1	4	8	2
1079113-EPWP2M	8-2-1-672	366	10	120	-	3		-	0	3	7	0
1079310-EPWP2M	8-2-1-673	578	10	231	-	4		-	2	1	4	3
1102330-EPWP2M	8-2-1-667	573	11	70	-	2		-	5	2	4	0
1102356-EPWP2M	8-2-1-665	558	15	145	-	4		-	1	1	10	3
1103285-EPWP2M	rpt152339	2,118	34	1,178	-	18		-	7	5	9	13
1116989-EPWP2M	8-2-1-92b	2,437	87	733	-	21		-	8	3	70	6
1127391-EPWP2M	8-2-1-92c	2,432	47	577	59	10	1	-	11	4	26	6
1165918-EPWP2M	8-2-1-767	881	20	275	-	5		-	4	2	11	3
1171193-EPWP2M	8-2-1-799	520	14	165	-	4		-	3	3	7	1
1177661-EPWP2M	8-2-1-475 b2	2,385	69	637	-	19		-	22	3	32	12
1177710-EPWP2M	8-2-1-475 c1	566	41	166	-	12		-	11	8	18	4
1177729-EPWP2M	8-2-1-475 c2	1,227	43	109	-	5		-	10	1	28	4
1179545-EPWP2M	8-2-1-883	29	6	12	-	3		-	2	1	1	2
1185328-EPWP2M	8-2-1-430	426	16	92	-	4		-	3	2	9	2
1190755-EPWP2M	8-2-1-491	278	17	68	-	5		-	4	1	8	4
1190941-EPWP2M	8-2-1-891a	229	28	73	-	9		-	10	3	9	6
TOTAL		**18,077**	**522**	**5,398**	**59**	**144**	**1**		**115**	**51**	**279**	**77**

Please note that these figures are as per the EPWP programme report based on based on 240 days worked without interruptions which is equivalent to one job opportunity created.

2. Fleet Section

This section is responsible for the running of the Fleet, plant, waste trucks, the maintenance/ servicing of the fleet and the budgeting of the replacement of fleet. The section is also responsible for the yellow plant that covers the entire area of jurisdiction of the Municipality.

Service mission

The mission of the section is:

1. to set out and implement standards to regulate physical management, recording and internal controls to ensure that vehicles, plant and equipment are safeguarded against inappropriate loss or utilisation, thereby maximising useful economic life.

2. to provide a framework within which expenditure on vehicle, plant and equipment can be incurred including scrapping of such vehicles, plant and equipment.

3. to ensure that vehicles, plant and equipment are acquired, operated, maintained, repaired and disposed of within the applicable regulatory framework, taking into consideration Budgetary constraints.

Vehicle/ Plant and Equipment Statistics:

The following are the numbers of vehicle and Plant currently being maintained by the Fleet and Transport services:

Commercial vehicles (3 ton and above)	**111**
LDV'S	**167**
Sedans / SUV's and mini-busses	**38**
Tractors	**20**
Yellow Plant	**24**
Plant and Equipment	**144**
Motor cycles	**4**
Total Vehicles and Plant	**508**

Achievements

The maintenance of rural roads received a welcome boost, with the procurement of a new Grader. The addition of this Grader has now boosted the number of Graders owned by the Municipality to 5.

Two new Refuse removal compacting trucks have been procured. These trucks are unique, in that the Staff is no longer transported in aftermarket mounted "Crew cab", but a manufactured Double Cab, which greatly enhances the safety and comfort of staff.

The Mechanical workshop also underwent a "Face lift", as new pneumatic oil pumps was installed and the Workshop interior repainted.

Several essential pieces of Equipment that greatly enhances safety and efficiency have also been procured.
The main items procured, were heavy-duty jacks, gearbox jack, Engine hoist and Paraffin trays.

The above equipment enhances the productivity and safety of the Mechanical Workshop.

Fleet Challenges:

Failure of Graders: The maintenance of Rural Roads was severely hampered, due to the fact that three of the 4 Graders in use, developed serious mechanical defects, and plant had to be hired in.
Repairs were hampered due to the lack of accredited agents in the uMhlathuze area.
After a request to the Importers of the Plant, a local agent was appointed and repairs carried out .The Plant has been operating successfully, with only minor breakdowns.

Aging Fleet: Due to Budget constraints, several vehicles in the Fleet have been kept operational, well beyond their expected lifespan. Some vehicles are over 15 years in use, placing pressure on the maintenance budget.

Staff Challenges: The Mechanical Workshop has 8 Artisans that are responsible to carry out preventative maintenance and repairs on over 500 vehicles and Plant.
The above creates a situation where preventative maintenance is neglected, increasing the risk for breakdowns to occur. The Department is busy with the analysis for the ease of presenting a business case for a way forward.

Vehicle shortage: The procurement of new vehicles for the Fleet has not kept track with the increasing service delivery demands.
The need for the permanent use of vehicles by newly appointed staff has depleted the vehicle pool severely, and the pool needs to be supplemented as a matter of urgency.

3. Building & Structures Section

This section is responsible for the maintenance/ servicing of the building works. The small works are done by this section on behalf of the Departments. The budget of the small works is done by the departments and the section works on their demands and needs on their budget.

Achievements

Structural Engineer to be appointed at first quarter of 2014-2015 budget to conduct annual inspection and give report on conditions/structural integrity and remaining life of all municipality buildings pending refurbishment and renovations.
Planned maintenance programs as scheduled and daily complains operation are monitored

Staff Categories:

3.1 Carpentry and Glazing Maintenance

3.2 Bricklaying & Plaster/Paving/Tiling Maintenance

3.3 Painting and Decoration Maintenance

3.4 lighting services maintenance

Vehicle shortage: Two low-bed furniture bakkies are required for furniture removal.

4. Infrastructure Asset Management

This section is responsible for providing the following services for support: GIS in terms of capturing As Build information, Survey in terms of internal projects, bulk contributions on civil works, drawing and asset Management programmes together with the finance section.

The section also deals with the investigations of sites encroachment through City development. The issue of As Built approvals and capturing in the system is vitally important in order to ensure that council runs the asset data across board. Council has looked at the Infrastructure Delivery Management System (IDMS) which is now driven by the Provincial Treasury for all Government institutions.

Asset Management Challenges:

1) Engineering records that need to be maintained properly and the changing of historical ageing infrastructure.
2) Training and development is limited by the non-availability of budget for the key engineering training in this section.
3) Lack of mentoring and coaching which is dependent on other Information technology Systems.
4) Institutional capacity of the department in relation to the growing infrastructure coupled with the historical infrastructure design.
5) In adequate funding for the Asset Management System for the entire organization and proper tools that promotes links on all systems to avoid working in silos.

WATER & SANITATION

KEY FACTS OF WATER AND SANITATION BUSINESS

The City of uMhlathuze in its capacity as the Water Services Authority and juristic entity is compelled by the following acts:

Water Services Act 107 of 1997

To provide for the rights of access to basic water supply and basic sanitation

- RECOGNISING the rights of access to basic water supply and basic sanitation necessary to ensure sufficient water and an environment not harmful to health or well-being,
- RECOGNISING that in striving to provide water supply services and sanitation services, all spheres of Government must observe and adhere to the principles of co-operative government,
- RECOGNISING that the provision of water supply services and sanitation services, although an activity distinct from the overall management of water resources, must be undertaken in a manner consistent with the broader goals of water resource management;
- ENSURING that the quality of the city's water resources, portable water and wastewater systems are continually monitored in an endeavour to maintain quality and evaluate against set standards/specifications/guidelines.

WATER SERVICES BYLAWS

The Water Services Act 108 of 1997 stipulates that Water Services Authorities and local authorities need have the necessary Water Services Policies and Water Services By-laws in place.

Bylaws	DESCRIPTION
Water Services Bylaw **DMS 836540**	Review in June 2014. The Water Services Act 108 of 1997 stipulates that Water Services Authorities and local authorities need to have the necessary bylaws implemented and review regularly.

THE WATER AND SANITATION SECTION IS DIVIDED INTO FOLLOWING SUB-SECTIONS:

- WATER DEMAND MANAGEMENT PLANNING AND STRATEGY
- BULK WATER AND WASTEWATER OPERATIONS
- INFRASTRUCTURE MAINTENANCE (URBAN & RURAL)
- SCIENTIFIC SERVICES
- CUSTOMER SERVICES

1. WATER DEMAND MANAGEMENT PLANNING AND STRATEGY

1.1. Water Backlog

Table 1: Water services backlog as at 30 June 2014

HOUSEHOLD SERVICE LEVELS				
		2011/2012	**2012/2013**	**2013/2014**
	BASELINE (STATS SA 2011)	**2004 SIVEST -74269**	**2004 SIVEST - 74269**	**STATS SA 2011**
House connections	43 530	35 563	35 984	45 530
Yard Connections	36 474	34 087	35 619	38 614
Communal Supply < 200 m	2 838	2 552	1 810	698
Communal Supply > 200 m		2 609		
TOTAL	82 842	71 660	73 413	82 842
Access to Water	**82 842**	**71 660**	**73 413**	**82 842**
Backlogs	**3 767**	**2 609**	**13 967**	**3 767**
New Installations	**1 953**	**569**	**232**	**2 140**

The Municipality currently receives funding through the Municipal Infrastructure Grant (MIG), of which before 2010 most for water than for sanitation. The municipality has amended the baseline information in the 2013/2014 Integrated Development Plan (IDP) with regard to basic services delivered to align with the most recent 2011 Census figures as recorded by National Statistics South Africa. A total of **95.95%** households have access to the basic RDP level of water supply service as at 30 June 2014.

1.2. Sanitation Backlog

Table 2: Sanitation backlog as at 30 June 2014

HOUSEHOLD SERVICE LEVELS				
		2011/2012	2012/2013	2013/2014
	BASELINE (STATS SA 2011)	2004 SIVEST - 74269	2004 SIVEST - 74269	STATS SA 2011
Waterborne Sewerage	43 068	32 605	32 605	43 068
VIPs	23 754	15 445	21 061	23 754
No formal Service	19 787	29 756	32 943	19 787
TOTAL	86 609	48 050	53 667	66 822
Access to Sanitation	**66 822**	**48 050**	**53 667**	**66 822**
Backlogs	**19 787**	**29 756**	**32 943**	**19 787**
New Installations	**5617**	**3537**	**209**	**0**

Access to Sanitation as at 30 June 2014 is **77.15%** and the backlog remains at **22.85%**. Contractors have been appointed to construct the substructure and the manufacturing contract has been appointed and 2227 substructures have been constructed in various Traditional areas as at 30 June 2014.

1.3. Water Losses

Table 3 presents the water losses for all 4 systems that are supplying City of UMhlathuze. The water losses have increase in 2013/2014 financial year for the Ngwelezane system compared to 2012/2013 (Fig 1). Richardsbay system the water loss has decreased in 2013/2014 compared to 2012/2013 financial year (Fig 2). Both Empangeni (Fig 3) and Esikhaleni System (Fig 4), no significant changes were observed in 2013/2014 compared to 2012/2013 financial year.

Table 3: Annual Water losses per system as at 30 June 2014

July 2013 - June 2014				
WATER TREATMENT SYSTEM	**Production (Kl)**	**Water Sold (KL)**	**UFW %**	**Water Loss (KL)**
Mzingazi	22 982 852	14 726 903	35.92	8 255 949
eSikhaleni	10 667 043	5 495 575	49.08	5 171 468
Ngwelezane	2 772 050	1 972 162	26.12	799 888
Nsezi/Empangeni	9 278 806	6 002 411	35.20	3 761 100
TOTALS	**45 700 751**	**28 197 052**	**36.58**	**17 988 404**

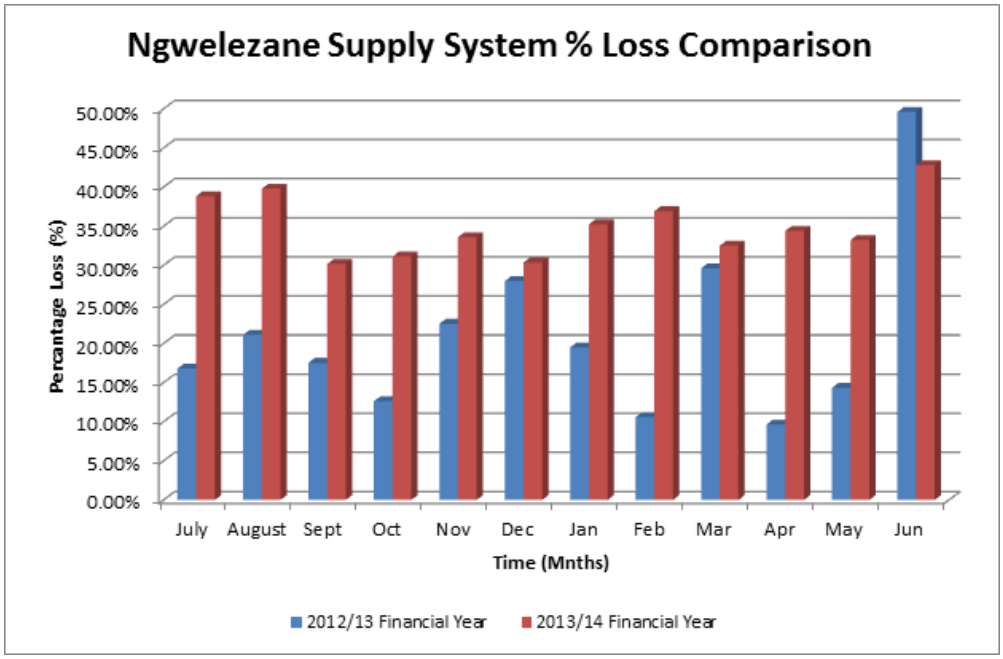


Fig 1: Ngwelezane Water Losses

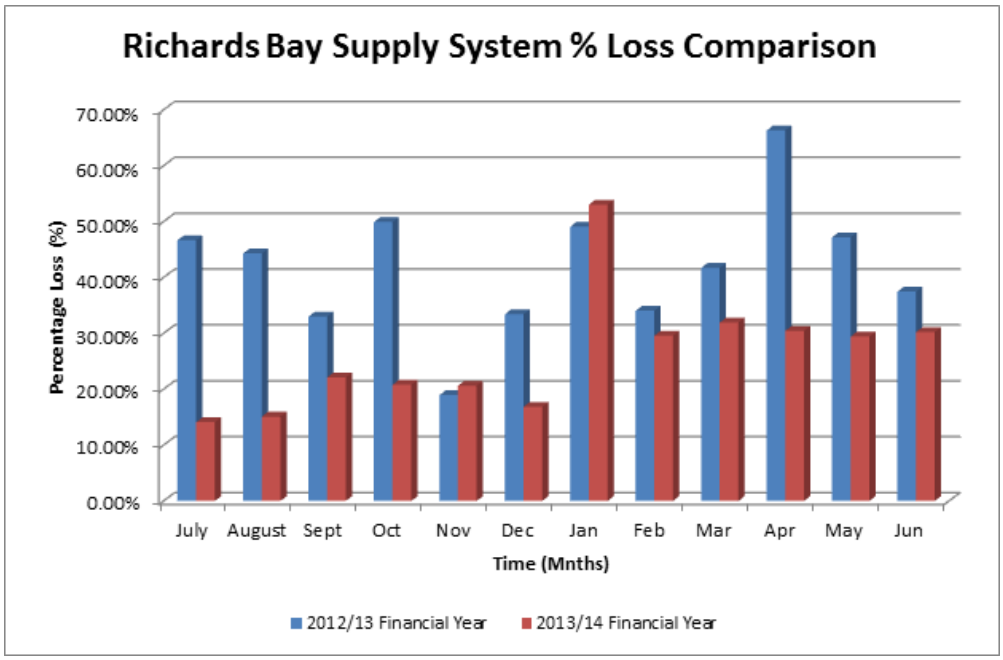


Fig 2: Richardsbay Water Losses

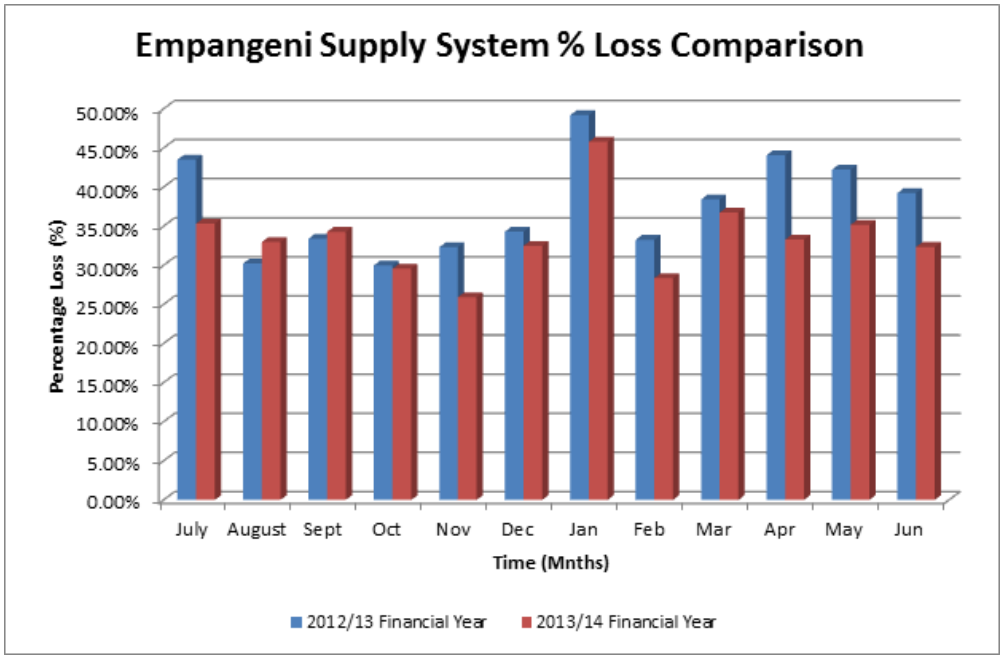


Fig 3: Empangeni Water Losses

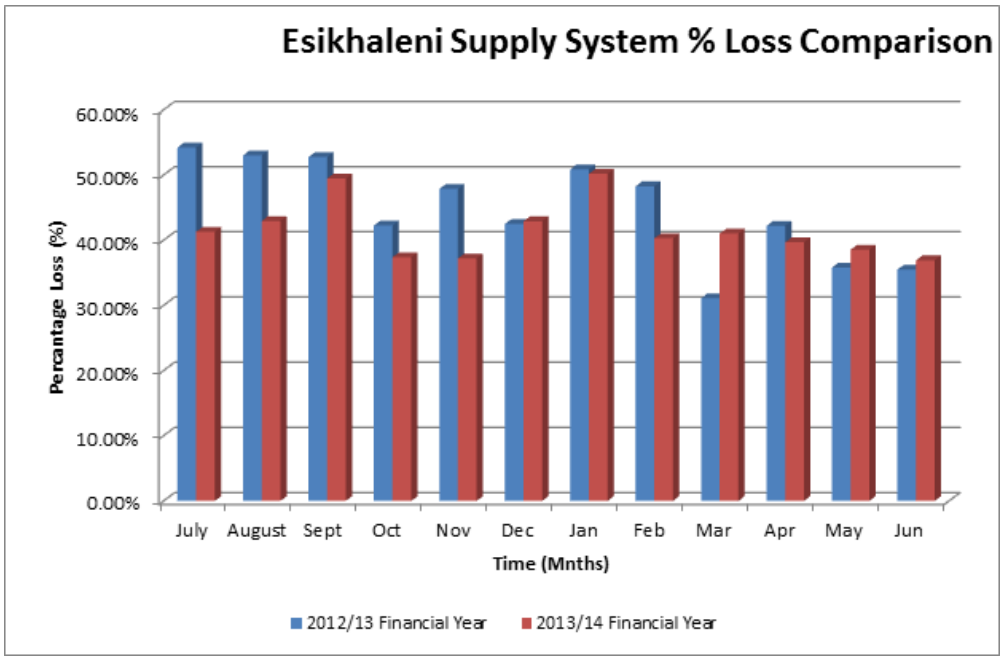


Fig 4: Esikhaleni Water Losses

1.4. Bulk and Reticulation Network Planning

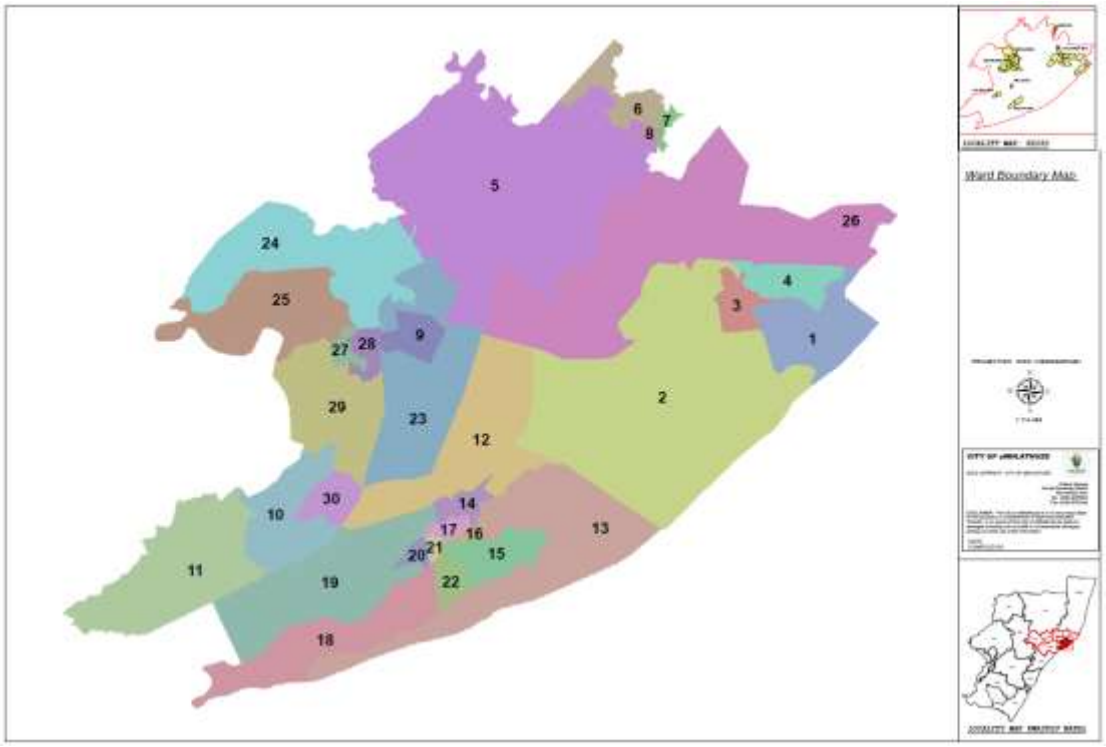


Fig 5: All 30 different wards serviced by Water and Sanitation Services

Water and Sanitation Services is supplying the 30 wards for the City of Mhlathuze see Fig 5 for the different wards.

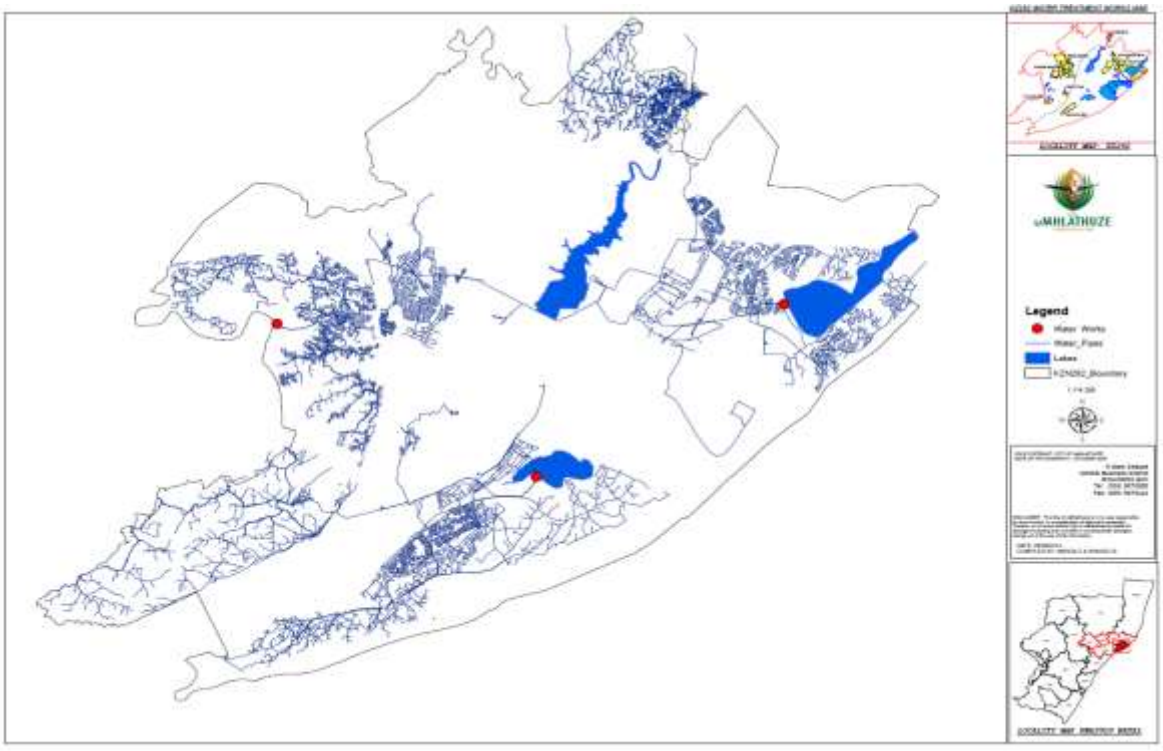


Fig 6: Potable Water Infrastructure Network

There are 4 water supply systems supplying the City of UMhlathuze namely Mzingazi, Ngwelezane Esikhawini and Nsezi, of which Nsezi is owned by Mhlathuze Water board. Most of the City of uMhlathuze both urban and rural are serviced through water pipe lines see Fig 6.

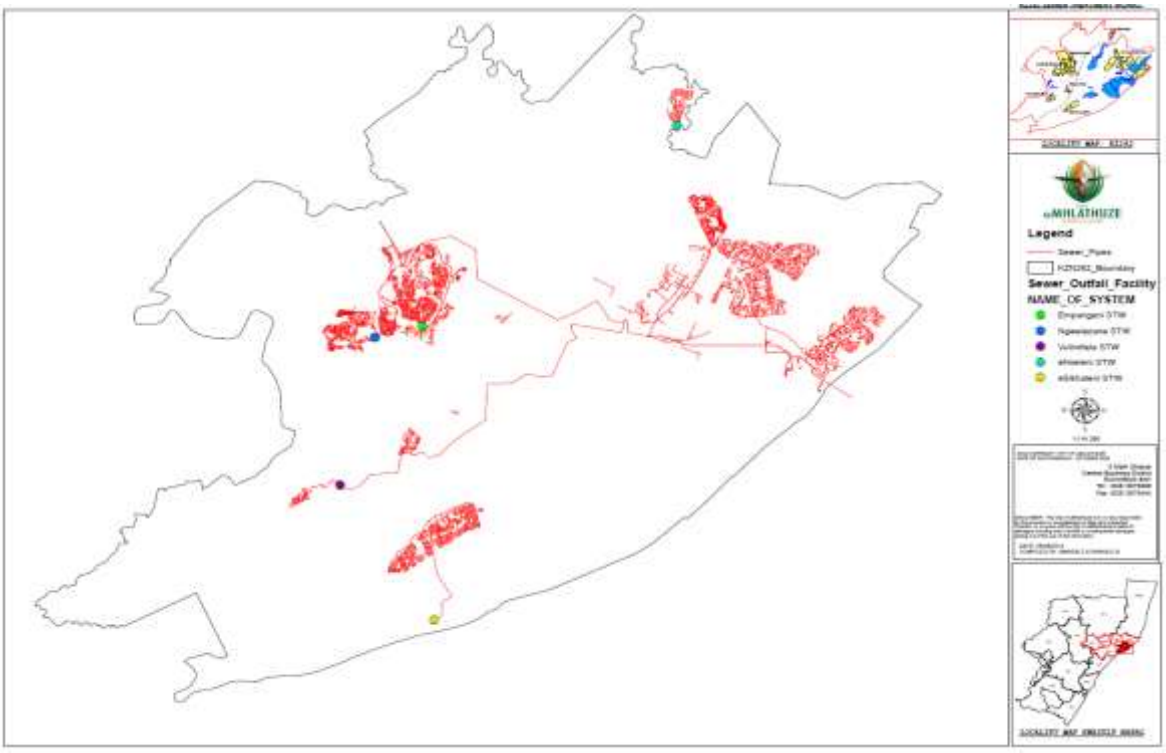


Fig 7: Waterborne Infrastructure Network

There are 5 wastewater systems supplying the City of UMhlathuze namely Nseleni, Vulindlela, Empangeni, Ngwelezane and Esikhawini. The urban areas are serviced with waterborne sewer system see Fig 7 and the rural areas have VIP system which is either single or double pit.

2. BULK WATER AND WASTEWATER OPERATIONS

There are 2 lakes namely Mzingazi and Cubhu that are used as a raw water source. Raw water is treated at the treatment works and pumped to bulk reservoirs and gravitated/pumped through bulk lines to reticulation for human consumption.

2.1. Lake Levels

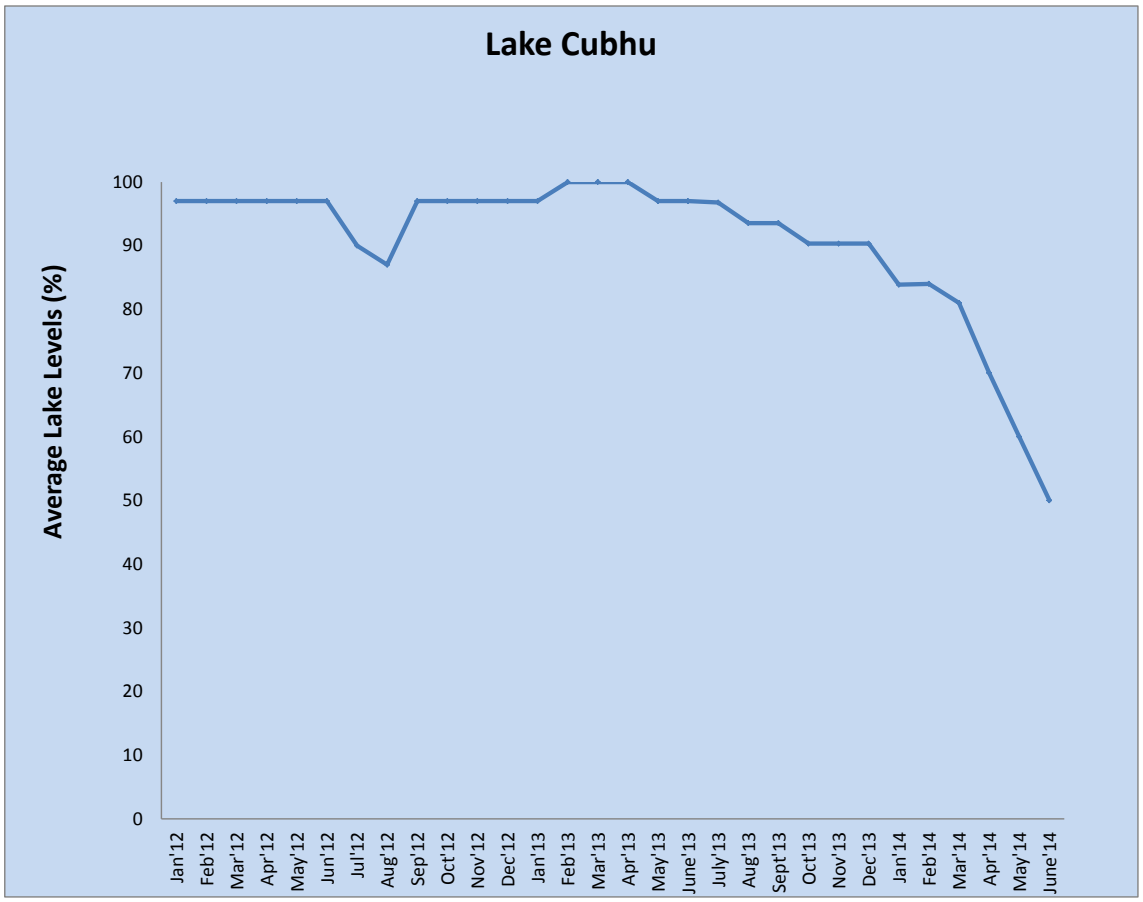


Fig 8: Lake Cubhu levels as at 30 June 2014

Fig 8, insignificant lake levels were observed in 2012/2013 financial year, the lake levels dropped significantly to 50% in 2013/2014 financial year. In case of raw water challenge, the municipality has an agreement with Mhlathuze Water Board to supplement via the Mhlathuze Weir.

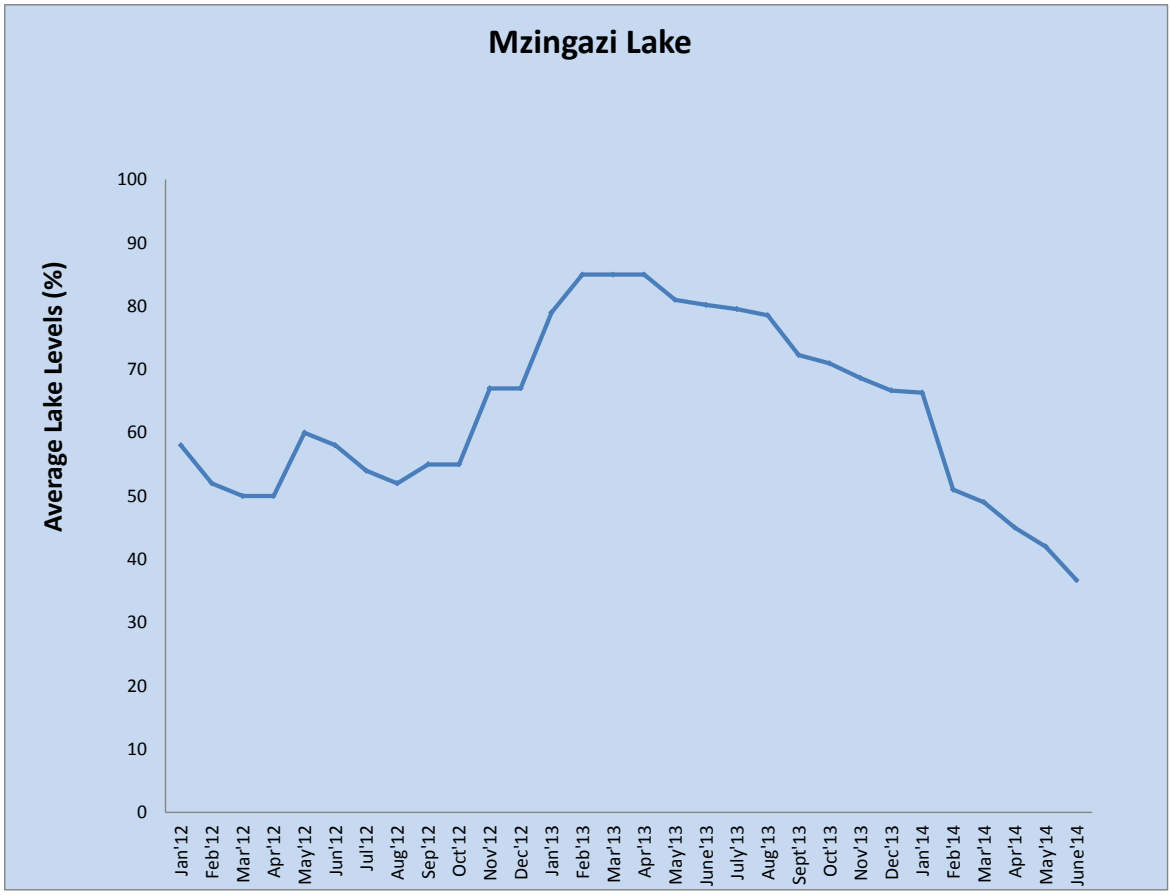


Fig 9: Mzingazi Lake levels as at 30 June 2014

According to Fig 9, the Mzingazi lake levels have unstable for the past 3 years. Due to drought the levels have dropped to 36.7% for the 2013/2014 financial year. In case of potable water shortages, Mhlathuze Water board is currently supplementing with maximum of 40Ml/d.

2.2. Plant production

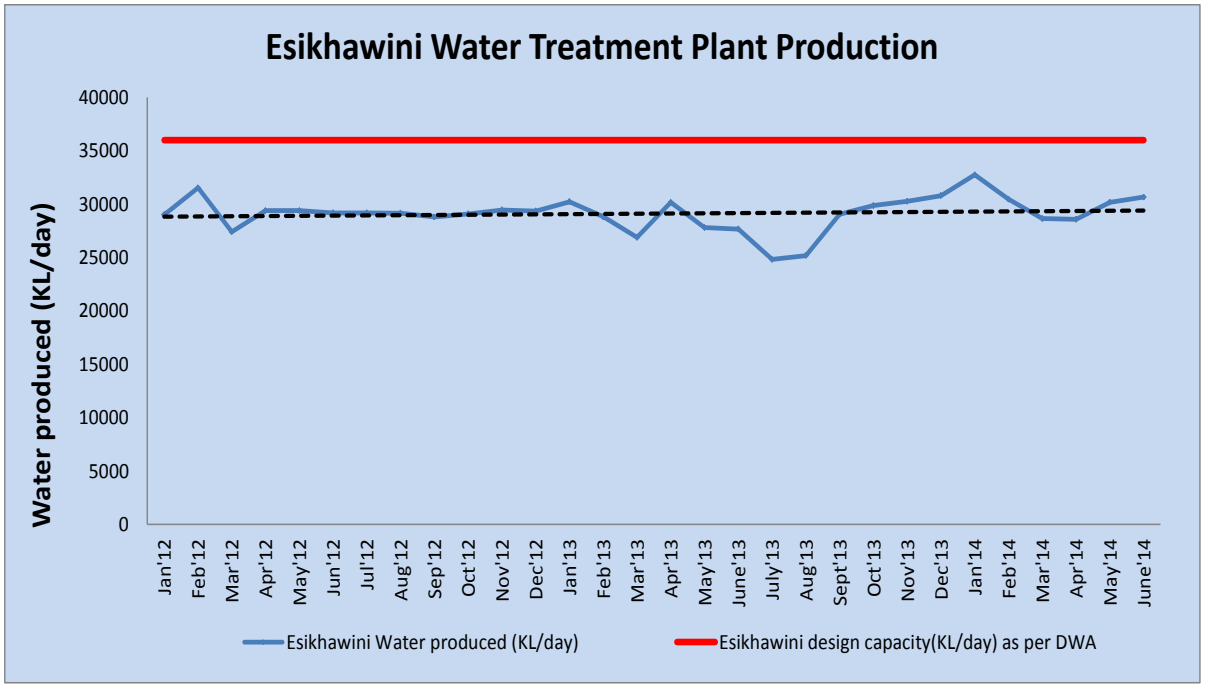


Fig 10: eSikhaleni Water Treatment Plant production as at 30 June 2014

According to Fig 10, the plant has been operating at an average of 28000KL/day from 2012/2013 and 2013/2014 financial year. The plant design capacity is at 36000 KL/day as per the pumps design. An investigation of the limitation and process challenges was completed, proposing process enhancement and rising main upgrade to achieve 40000 to 50000KL/day.

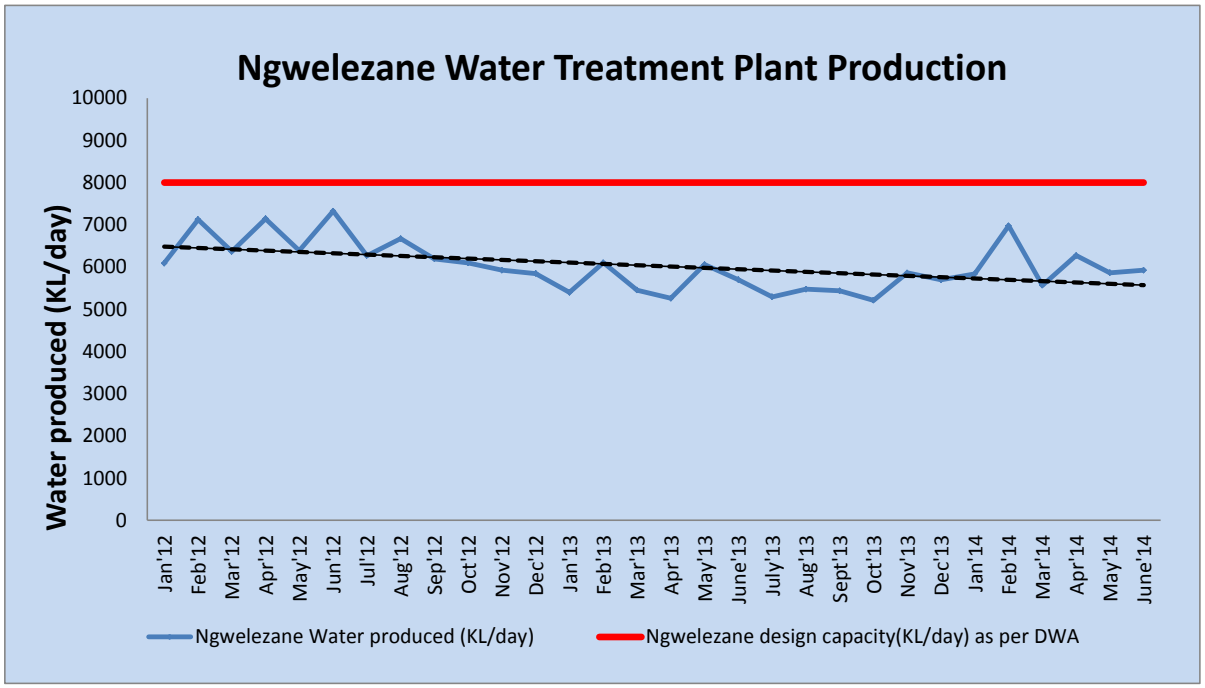


Fig 11: Ngwelezane Water Treatment Plant production as at 30 June 2014

According to Fig 11, the plant has been operating at an average of 6500KL/day from 2012/2013 and 2013/2014 financial year. The plant design capacity is at 8000 KL/day as per the pumps design. In case of potable water shortages, Magazulu reservoir is used to supplement with 2000KL/day.

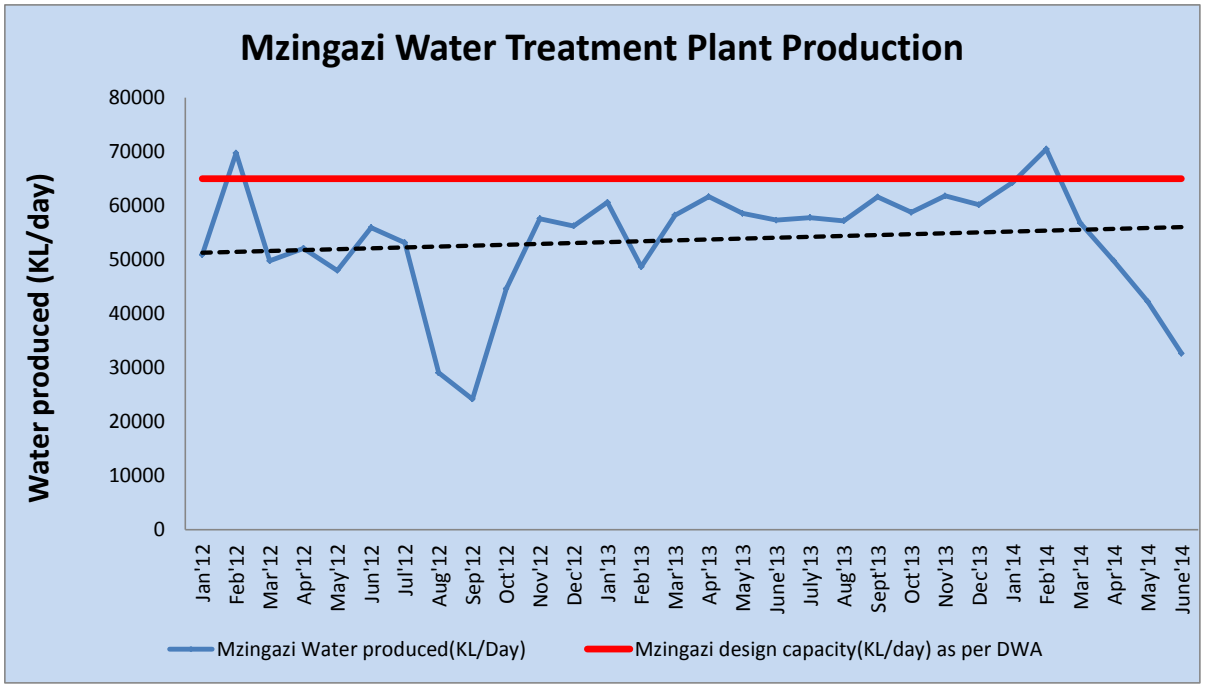


Fig 12: Mzingazi Water Treatment Plant production as at 30 June 2014

According to Fig 12, the plant has been operating at an average of 55000KL/d from 2012/2013 and 2013/2014 financial year. The plant design capacity is at 66000 KL/day. In case of potable water shortages, Magazulu reservoir is used to supplement with 2000KL/d.

3. INFRASTRUCTURE MAINTENANCE (URBAN AND RURAL)

The maintenance section is responsible for reticulation infrastructure network. 12 pump stations drain to the Empangeni system, covering areas of Felixton, Central Park, Hillview, uMhlathuze village, Wilton Park, Empangeni CBD, Empangeni rail.2 pump station drain to eSikhaleni Wastewater Treatment plant, covering the Dube village. 45 pump stations drain the Richards Bay system; 11 in Alton, 19 in Mearensee, 2 in Birdswood, 6 in Arboretum & veldenvlei, 1 in the Richards Bay CBD, and 3 in Aquadene & Brackenham.

For Richardsbay system, the sewer is pumped into 2 Macerators; Alton and Arboretum and then pumped to Mhlathuze Water line to the sea.12 pump stations drain the Empangeni system, covering areas of Felixton, Central Park, Hillview, uMhlathuze village, Wilton Park, Empangeni CBD, Empangeni rail. The maintenance scope also include the swimming pool pumps and ground water pumps in Richardsbay that drains the foundation of Civic centre

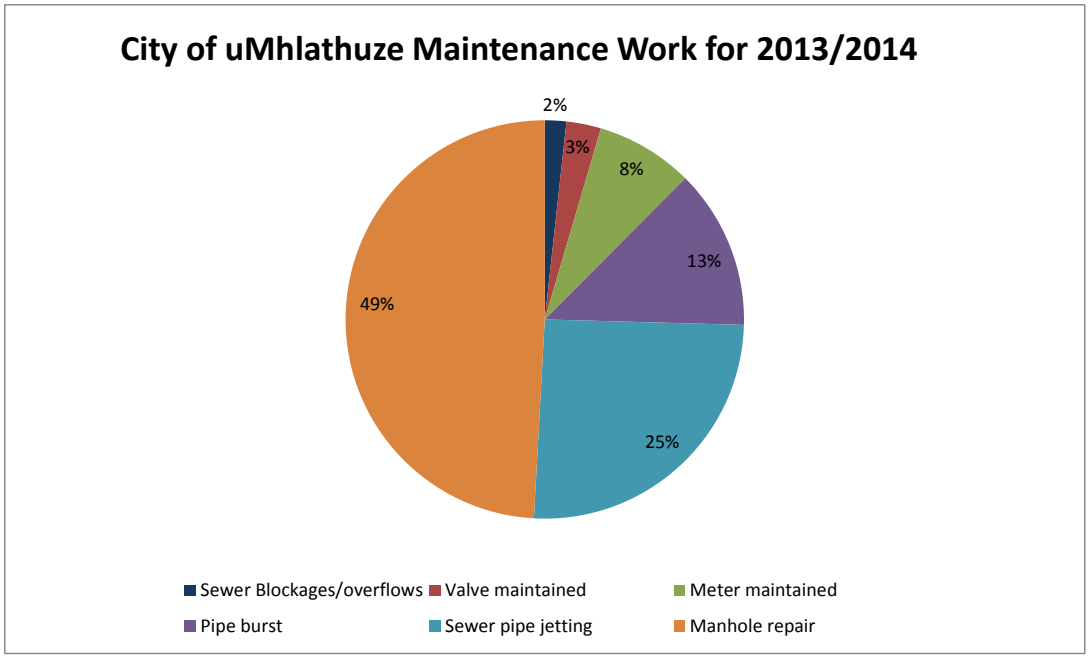


Fig 13:Pipeline Infrastructure Maintenance for 2013/2014 financial year

Of all pipeline maintenance work (See Fig 13) completed 49% is manhole repairs, 25% is sewer pipe jetting, 13% is pipe bursts, 8% is meters maintained, 3% is valve maintained and 2% is sewer blockages/overflows.

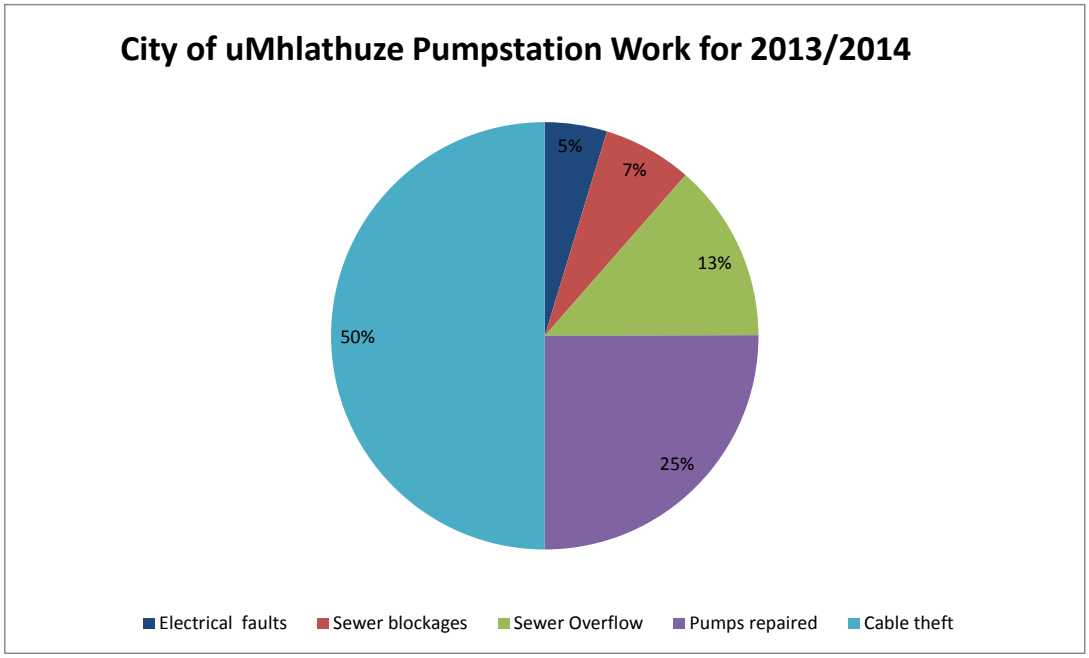


Fig 14: Pumpstations Maintenance for 2013/2014 financial year

Of all pumpstations maintenance work (See Fig 14) completed 50% is cable theft, 25% is pumps repaired, 13% is sewer overflow, 7% is sewer blockages and 5% is electrical faults.

Table 4: Annual Works Orders generated for 2013/2014

	Created	Closed	Cancelled	Open
Plumbing	18 803	17 761	364	678
Pumpstations	2 592	2 505	3	84
TOTALS	**21 395**	**20 266**	**367**	**762**

Table 4 represent total number of works order generated for the 2013/2014 financial year

4. SCIENTIFIC SERVICES

Various key functional areas within the Scientific Services contribute to the reliability and credibility of an effective water quality management system. The two major sections of the Scientific Services are the Laboratory and Water Quality Management sections. The laboratory is currently undergoing method development and validation as well as phased implementation of ISO 17025. The laboratory is also participating in Proficiency Testing schemes for Chemistry and Microbiology in order to continually improve accuracy and precision when compared to other laboratories.

4.1. Laboratory Sampling and Testing

The laboratory sampling and testing comprises two sections namely Chemistry, Microbiology analysis for various water types (see Table 4) and a total number of 2832 samples were tested for surface and ground water). A total of 18068 and 969 were tested for 2013/2014 for chemistry (see Table 5) and microbiology (see Table 6) respectively.

Table 4: Total samples of surface and ground water monitoring

SOURCE	SAMPLES
Surface Water (Industrial)	429
Surface Water (Pump station)	508
Surface Water (Urban/Rural Suburbs)	59
Surface Water (Rivers/Streams/Canal)	149
Industrial Effluent	490
Surface Water (Lakes)	675
Alton Landfill (Boreholes)	168
Coastal Water (Blue Flag)	80
External Service Provider (Sampling only) (WSSA)	264
Richards Bay Cemetery (Boreholes)	10
GRAND TOTAL	**2832**

Table 5: Number of Chemical Tests per Sample Type from July 2013 to June 2014

CHEMISTRY	
SAMPLE TYPE	**TOTAL NUMBER OF ANALYSIS**
Lakes (Cubhu & Mzingazi)	3862
Surface Water	8952
Sewage	3811
Drinking Water	8
Ground Water	1190
Adhoc Analysis	245
GRAND TOTAL OF ANALYSIS PER SAMPLE TYPE	**18068**

Table 6: Number of Microbial Tests per Sample Type from July 2013 to June 2014

MICROBIOLOGY	
SAMPLE TYPE	**TOTAL NUMBER OF ANALYSIS**
Lakes (Cubhu & Mzingazi)	255
Surface Water	683
Drinking Water	5
Ground Water	56
GRAND TOTAL OF ANALYSIS PER SAMPLE TYPE	**969**

4.2. Compliance Activity of the Water Quality Section

Various pollution incidents, compliance notices and permits issued that occurred in 2013/2014 financial year in terms of contravening specific sections of Water Services Bylaw are presented in Table 7.

Table 7: Compliance Activity of the Water Quality Section (July 2013 – June 2014)

ASPECT	AMOUNT	DESCRIPTION
Industrial inspection	2	Inspection of industries for their compliance to Water Services Bylaw requirements
Permits issued	14	Permits issued to companies as per section 88 and 86 of Water Services Bylaw to discharge via municipal sewer system.
Water Complaints	1	Consumer complaints on drinking water quality.
Pollution incidents	6	Incidents that resulted in pollution of open water source or open ground areas.
Forums attended	11	Meetings with industry in presenting their environmental performance to relevant stakeholders.

ASPECT	AMOUNT	DESCRIPTION
Internal Non conformances	3929	Non-conformances generated from laboratory results, which are out of the specified range according to WQMP.

4.3. Blue & Green Drop Incentive Based Programmes

The Minister of Water Affairs introduced the concept of Incentive-based Regulation on 11 September 2008 to the water sector at the National Municipal Indaba held in Johannesburg. The concept was defined by two programmes: the Blue Drop Certification Programme for Drinking Water Quality Management Regulation and the Green Drop Certification Programme for Wastewater Quality Management Regulation.

The Blue/Green Drop incentive based regulation programme endeavors to facilitate and drive this continuous improvement process, seeking sustainable improvement in service delivery, progressive improvement in water quality and steadfast coverage of unserviced areas. The Water Services Authority responsible for the provision of water and sanitation is required to ensure that the following criteria are met for all water and wastewater treatment works. Criteria to be complied with in order to be awarded a Blue Drop Status see Table 8 and Green Drop Status see Table 11. The cumulative risk rating for drinking water (Blue drop) has decreased from 69.5% to 36.2% see Table 10 and for wastewater (green drop) has increased from 38.1% to 43.2% see Table 13.

Table 8: Blue Drop Criteria

Criteria		Allocated Weight (%)	2012 Score per Criteria (%)			
			Mzingazi WTW	Esikhaleni WTW	Ngwelezane WTW	Nsezi WTW
1	Water Safety and Security Plan	35	97	90	90	89
2	Drinking Water Quality process management & control	8	88	88	88	88
3	Drinking Water Quality Verification	30	100	68	80	100
4	Management, accountability & local regulation	10	100	100	100	100
5	Asset Management	14	100	100	100	100

Two blue drop awards for Ngwelezane Water Supply system and Nsezi-Empangeni Water Supply system were achieved see Table 9 and the overall performance has increased from 80.4% in 2010 to 92.9% in 2012 assessments.

Table 9: Comparative Table – Blue Drop Status

Blue Drop Systems	2010 Score	2011 Score	2012 Score
Mzingazi WTW	81.25%	89.28%	89.91%
Esikhaleni WTW	79.75%	90.07%	92.35%
Ngwelezane WTW	79.75%	91.35%	96.37%
Nsezi WTW	0%	88.90%	98.39%
The Average Score	**80.4%**	**89.26%**	**92.94%**

Table 10: Blue Drop CRR Scores 2013

Blue Drop Systems	2011 CCR Score	2013 CRR Score
Nsezi WTW	82.57%	33.62%
Mzingazi WTW	59.81%	39.06%
eSikhaleni WTW	56.56%	39.06%
Ngwelezane WTW	79.11%	64.95%
The Weighted Average Score	**69.51%**	**36.19%**

Table 11: Green Drop Criteria

Criteria		Allocated Weight (%)	2013 Score per Criteria per wastewater works (%)				
			Empangeni	eSikhaleni	Ngwelezane	eNseleni	Vulindlela
1	Process Control & Maintenance Skill	10	92	80	92	84	80
2	Monitoring Program	15	95	95	95	95	95
3	Submission of Results	5	100	100	100	100	100
4	Effluent Quality Compliance	30	10	58	66	90	66
5	Risk Management	15	100	100	100	100	100
6	Local Regulation	5	100	100	100	100	100
7	Treatment	5	59	59	90	94	90

Criteria		Allocated Weight (%)	2013 Score per Criteria per wastewater works (%)				
			Empangeni	eSikhaleni	Ngwelezane	eNseleni	Vulindlela
	Capacity						
8	Asset Management	15	93	96	96	100	100

Three green drop awards for Ngwelezane, Vulindlela and Nseleni Wastewater Treatment Plant were achieved see Table 12 and the overall performance has increased from 72% in 2009 to 88.37% in 2013 assessments.

Table 12: Comparative Table – Green Drop Status

Green Drop Systems	2009 Score	2011 Score	2013 Score
Empangeni WWTW	72%	84.30%	77.20%
eSikhaleni WWTW	*72%*	*82.60%*	*86.73%*
Ngwelezane WWTW	72%	83.20%	91.18%
eNseleni WWTW	72%	83.20%	95.99%
Vulindlela WWTW	72%	86.10%	90.74%
The Average Score*	**72%**	**83.3%**	**88.37%**

Table 13: Green Drop CRR Scores 2013

Green Drop Systems	2011 CRR Score	2012 CRR Score	2013 CRR Score
Empangeni WWTW	35%	50%	54.55%
eSikhaleni WWTW	52%	50%	50.00%
Ngwelezane WWTW	48%	36%	40.91%
eNseleni WWTW	33%	35%	29.41%
Vulindlela WWTW	22%	35%	41.18%
The Average Score	**38.1%**	**41.4%**	**43.21%**

5. CUSTOMER SERVICES

The objective of this section is focussing around the activities relating to Customer Services.

Table 14 represents the top 15 bulk users for the 2013/2014 financial year with Foskor being the biggest water user for the past 3 years. Top 15 water users for commercial (Table 15) and government entities (Table 16) with Resilient Properties and uThungulu municipality biggest water users respectively

Table 14: Top 15 bulk water users

		2011-12		2012-13		2013-14	
		Annual Consumption (KL)	Daily Average (KL)	Annual Consumption (KL)	Daily Average (KL)	Annual Consumption (KL)	Daily Average (KL)
1	Foskor	11 684 586	32 457	9 757 762	27 104	7 705 893	21 405
2	Exxaro Sands	3 000 651	8 335	3 869 111	10 748	1 507 820	4 188
3	Transnet	1 403 638	3 899	1 054 341	2 929	1 474 896	4 096
4	Hillside Al	244 070	678	2 263 805	6 288	785 860	2 182
5	Transnet Freight Rail	342 607	952	311 500	865	353 324	981
6	Bayside Al	380 292	1 056	387 434	1 076	287 640	799
7	Tata Steel	218 835	608	106 433	296	219 702	610
8	Afchem	122 120	339	107 851	300	203 184	564
9	Air Liquide	67 162	187	70 964	197	74 607	207
10	Mondi	26 413 444	73 371	22 058 065	61 272	52 682	146
11	Grindrod Terminals	47 641	132	33 837	94	39 038	108
12	Bayfibre Central Timber	20 782	58	23 861	66	38 108	105
13	CTC Timber Products	5 492	15	18 950	53	32 561	90
14	Tronox KZN Sands	14 762	41	21 520	60	32 150	89
15	Eskom Transmission	26 818	74	20 693	57	26 818	74
NB: Please note the water consumption is inclusive of all water types e.g. raw, clarified and potable							

Table 15: Top 15 commercial water users

No.	Customer Name	Consumption (KL)	Consumption (KL)
		Annual	Ave. Per Day (Annual)
1	Resilient Properties	77 426	215
2	Sanlam Life Insurance	69 709	193
3	The Bay Hospital	59 660	165
4	The Peermont Global KZN	48 349	134
5	The Body Corporate O (Brackenham Ext 27)	41 689	115
6	Seven Seasons Trading	37 314	103
7	Richards Bay Taxi Central	36 138	100
8	Zululand Chamber of Commerce	30 220	83
9	Empangeni Garden Clinic	28 512	79
10	Ikhwezi Transport	27 171	75
11	The Body Corporate O (Empangeni Central)	22 355	62
12	Syncat Properties	22 149	61
13	Mantis Properties cc	21 592	60
14	Tuzi Gazi (Pty) Ltd	21 341	59
15	ISC Projects (Pty) Ltd	20 739	57
TOTALS		**564 364**	**1 567**

Table 16: Top 15 government entities water users

No.	Customer Name	Consumption (KL) Annual	Consumption (KL) Ave. Per Day (Annual)
3	uThungulu District Munipality	1 561 343	4 337
1	Department of Public Works	766 246	2 128
2	University of Zululand	477 710	1 327
5	uMhlathuze Municipality (Comm)	435 730	1 210
4	Ngwelezane Hospital	250 240	695
7	Department of Health	81 896	227
6	Mhlathuze Water Board	78 395	218
8	Department of Transport	51 887	144
9	Dlangezwa High School	39 879	111
10	eSikhaleni Police Station	26 903	75
11	NPA Traffic Inspectorate	18 468	51
12	Tholokuhle Senior Secondary	11 710	33
13	Empangeni High School	9 697	27
14	Old Mill High School	9 102	25
15	R/B Technical College	8 674	24
TOTALS		**3 827 880**	**10 633**

Table 17: All 4 traditional areas water consumption for 2013/2014

No.	Customer Name	Consumption (KL) Annual	Consumption (KL) Ave. Per Day (Annual)
1	Dube	260 515	723
2	Khoza	955 809	2 655
3	Mkhwanazi	975 170	2 707
4	Madlebe	1 069 917	2 971
TOTALS		**6 261 411**	**9 056**

Table 17 represents water consumption for all the 4 traditional areas with Madlebe Traditional area as a biggest water user for 2013/2014.

WATER AND SANITATION ACHIEVEMENT FOR 2013/2014

- Review of WSDP
- Development of Bulk Water Master Plan
- Installation of PRV's at eSikhaleni Township for pressure management
- Installation of generator and upgrade of transformer at Esikhaleni Water Treatment Plant
- Funding of R9 million has been secured to reticulate the Dube/Mkhwanazi area.
- Secured MWIG funding for pipe replacement and non-revenue management for 3 years
- Two Blue Drop awards achieving over 95%.
- 100% compliance according SANS 241
- Improved our CRR score for both water and wastewater plants
- About 3000 rural water meter installation at KwaDube traditional area
- We have forged strategic partnership with CSIR as part of IGR.
- 3 wastewater plants Vulindlela, Enseleni and Ngwelezane refurbished for R7.2 million funded by Department of Water Affairs

TRANSPORT, ROADS, STORMWATER AND COASTAL MANAGEMENT SERVICES

This section is responsible for:

- Transport Planning and Strategy
- Urban Roads and Rail
- Storm water and Coastal Management System
- Rural Roads

1. TRANSPORTATION PLANNING (TP):

Achievements for the period under consideration:

SIGNALISED INTERSECTIONS:

Traffic signal upgrades done during this quarter can be summarised as indicated in the list below:

1.1 Timing Changes at the following intersections:
- Mark Strasse / ECA - November 2013
- John Ross / Allumina Allee - November 2013

1.2 New heads added at the following intersections:
- Commercial / Maxwell - Oct 2013
- Pedestrian Crossing - Add timer - Via Richardia / Soetdoring – October 2013
- Pedestrian Crossing - Add timer - Via Richardia / Olienhoutkoppie - November 2013
- Bullion Boulevard / NCA - Add Traff Cam Loop detector - October 2013

1.3 New phases at the following intersections:
- JR / Alumina Allee - November 2013

1.4 New Signalised Intersections at the following intersections:
- Commenced with Nkoninga / Fish Eagle Flight intersection – November 2013
- 50% Progress on Nkoninga / Fish Eagle Flight intersection
- Planned to commence in April with the ECA / Nkoninga intersection signalisation.

1.5 Revamped at the following intersections:
- John Ross / eSikhaleni Road (P106) - Reinstated by Department of Transport – November 2013
- Bullion Boulevard / Guldengracht
- Bullion Boulevard / Mark Strasse

TRANSPORTATION, ROADS AND STORMWATER RELATED CONTRACTS / QUOTATIONS:

This section also executes planning and maintenance contracts like traffic calming, repairs to pedestrian bridges, new traffic light's warrants and designs, walkways, shelters and bus/taxi laybys. We also appoint contractors annually to do traffic counts, sleeve drilling and road construction material testing.

Capital budget works completed during this financial year are as indicated in Table 1.1 below:

Table 1.1

No	Project Description	Area	Budget
1	**Civil Services B1030** Construction of roads and related Storm water services.	Ngwelezane	R3 589 928
2	**Public Facilities -** Construction of 2 Bus shelters in Ward 28, 2 Shelters in Ward 3 and 2 Shelters in Ward 26	Ngwelezane, Arboretum, Brackenham	R273 220
3	**Civil services** – Infill Areas J2 : Construction of roads and related Stormwater services.	Esikhaleni	R3 000 000
4	**Walkways Urban areas** – Esik J section – 500m, Ngwelezane – 100m and Dumisani Makhaya – 200m	Esik, Dumisani Makhaya, Ngwelezane	R278 247
5	**Tusk Casino pedestrian Safety -** Construction of Signalised intersections and roads related services like Laybyes, Walkways and Bus shelters. See pictures on DMS 980771.	Empangeni	R411 693
6	**Nkoninga/Fish Eagle Flight Intersection Upgrade -** Associated road works and the installation of Traffic signals. See Pictures on DMS 980778 and 980776	Birdswood	R771 979
7	**Traffic Calming** – Installed speedhumps in various areas.	Richardsbay, Esikhaleni, Empangeni.	R302 730

Private development taken over by Council during this financial year as indicated in Table 1.2 below:

Table 1.2

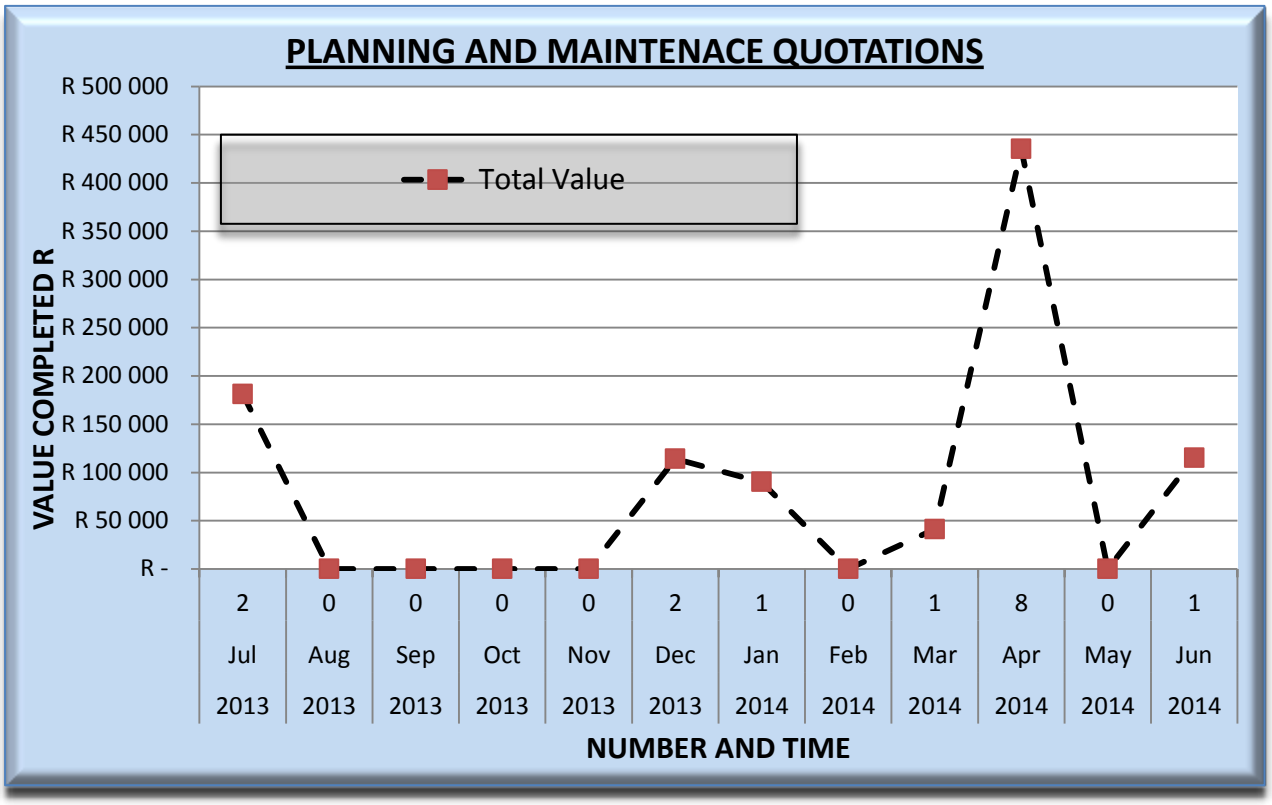
No	Project Description	Area	Budget
1	**Private development –** John Ross Interchange Park – Council took over new roads layout of 1.5km and associated stormwater systems.	N2 interchange area	R 2 619 300

Operational budget works including speed humps, pedestrian bridges, bus lay byes, road sagging and traffic counts completed during this financial year are as indicated in Table 1.3 and Fig 1.1 below;

Table 1.3

Planning and Maintenance Quotes Done per month					
No	**Year**	**Month**	**Amount Complete**	**Total Value**	
1	2013	Jul	2	R	181,000
2	2013	Aug	0	R	-
3	2013	Sep	0	R	-
4	2013	Oct	0	R	-
5	2013	Nov	0	R	-
6	2013	Dec	2	R	114,000
7	2014	Jan	1	R	90,000
8	2014	Feb	0	R	-
9	2014	Mar	1	R	41,000
10	2014	Apr	8	R	435,000
11	2014	May	0	R	-
12	2014	Jun	1	R	115,000

Fig 1.1



TRANSPORTATION PLANNING:

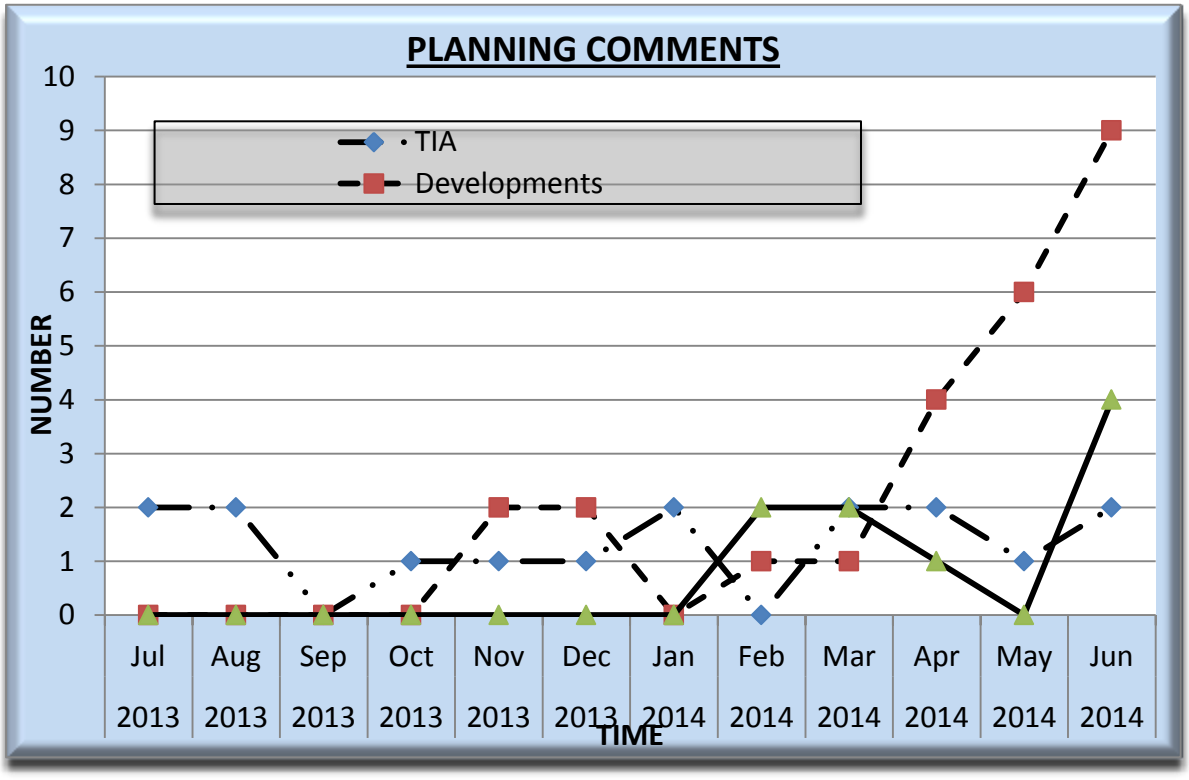
During this financial year this section assessed traffic Impact assessments, provides transportation related comments on new and private developments and calculated roads contributions. The Table 1.4 and Fig 1.2 below indicate a summary of the work done.

Table 1.4

Planning Comments					
No	**Year**	**Month**	**Traffic Impact Assessment**	**Developments**	**Roads Contributions**
1	2013	Jul	2	0	0
2	2013	Aug	2	0	0
3	2013	Sep	0	0	0
4	2013	Oct	1	0	0
5	2013	Nov	1	2	0
6	2013	Dec	1	2	0
7	2014	Jan	2	0	0
8	2014	Feb	0	1	2
9	2014	Mar	2	1	2
10	2014	Apr	2	4	1
11	2014	May	1	6	0
12	2014	Jun	2	9	4
TOTAL			**16**	**25**	**9**

Out of the table 1.4 it is clear that sixteen Traffic impact assessments were evaluated, comments on twenty-five private developments were done in connection with traffic related issues and nine road contributions estimates were calculated.

Fig 1.2



2. URBAN ROADS and RAIL

The Urban Roads and Rail Section is responsible for the maintenance and rehabilitation of the roads and rail sidings in the urban areas of the City of uMhlathuze.

In order to achieve equitable service delivery in the whole area, decentralized depots house the three maintenance teams viz.:

1. Western Depot: Empangeni and Ngwelezane, covering wards 9 and 23 to 29
2. Southern Depot: eSikhaleni and Vulindlela , covering wards 10 to 22 and 30
3. Northern Depot: Richards Bay and eNseleni covering wards 1 to 8

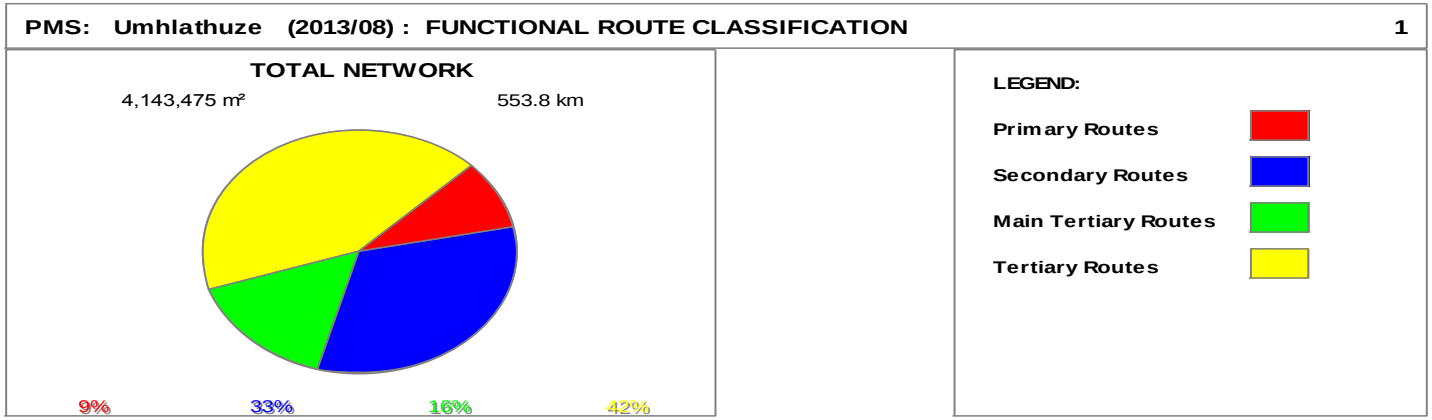
Road Maintenance and Rehabilitation

In order for proper planned and prioritized road maintenance and rehabilitation to take place a Pavement Management System (PMS) needs to be in place.

The service of a specialist company was acquired to put a PMS in place for the City of uMhlathuze. This was completed by the end of 2013. The following are extracts from the PMS:

The following is a representation of the kilometres of different classes of roads in the City and affected wards:

Fig 2.1 **URBAN ROADS**

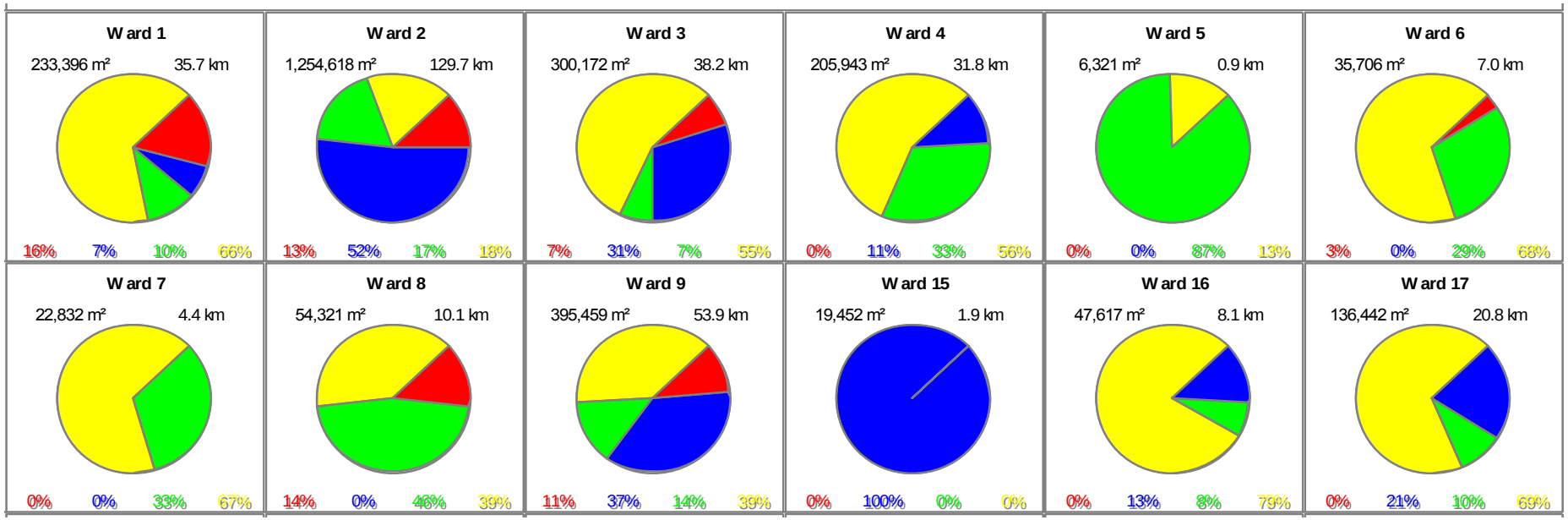


Primary Route e.g. John Ross Parkway

Secondary Route e.g. East central Arterial

Main Tertiary Route e.g. Via Verbena

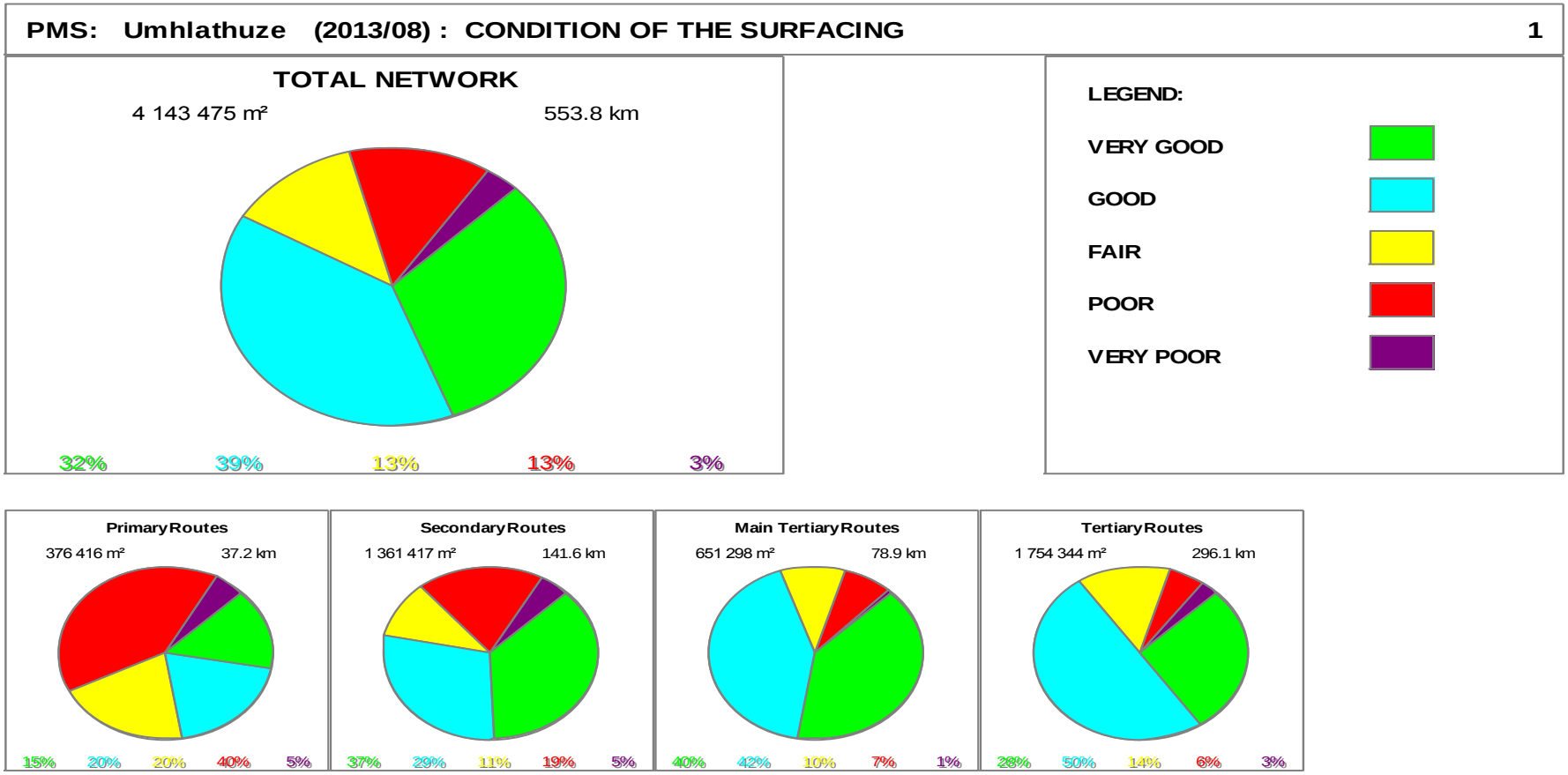
Tertiary Route e.g. Keiser Kroon



The condition of our road surfaces are represented in the following diagram:

Note that the roads falling in the poor and very poor categories comprise 16% of our total roads, where the recommended maximum according to National Standards is 10%.

Fig 2.2



The conditions of our road structure are represented in the following diagram:

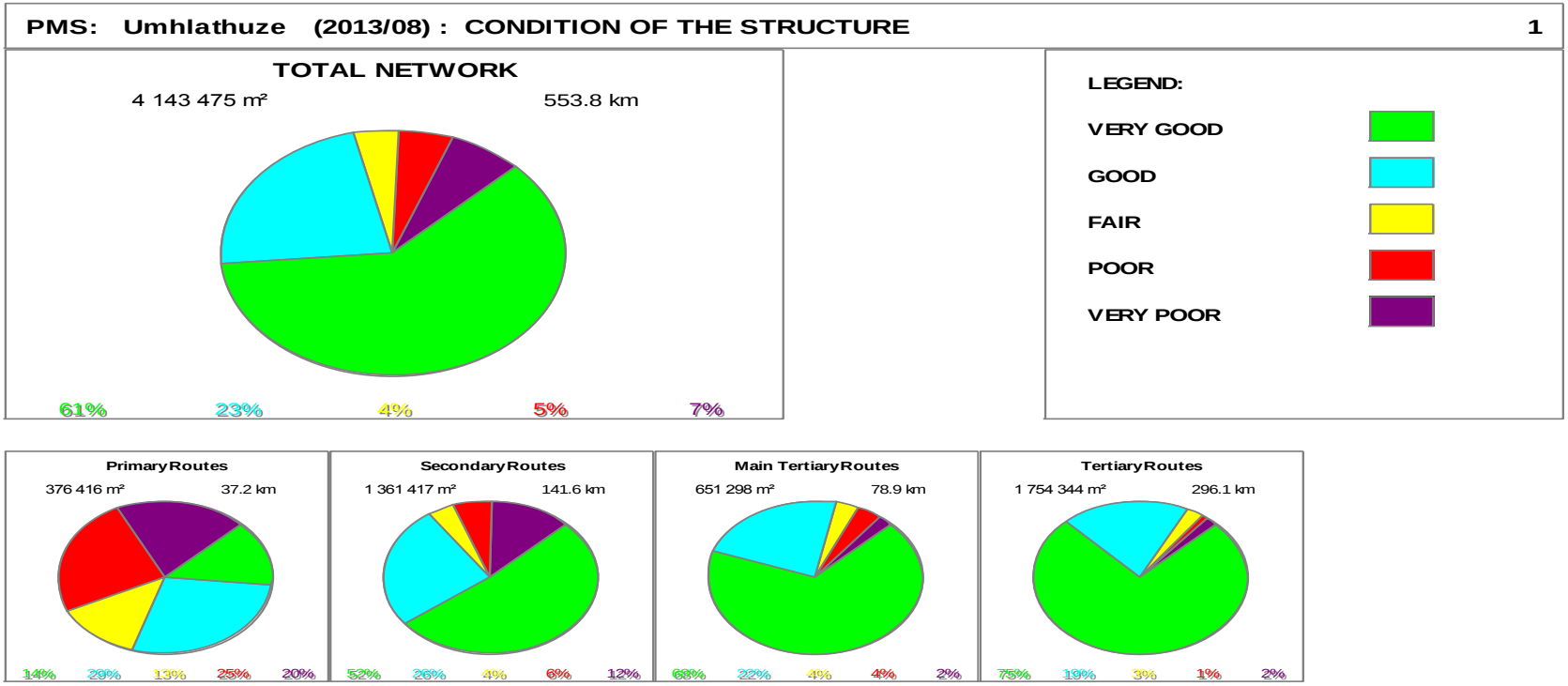
Note that the roads falling in the poor and very poor categories comprise 10% of our total roads, where the recommended maximum according to National Standards is 5%.

It can be seen that the City has a huge backlog in terms of the maintenance and rehabilitation of its roads. In monetary values the backlog and future funding requirements, as determined during the compilation of the latest (2013) **Pavement Management System**, are as follows:

Backlog: R340 million (Re-construction and Rehabilitation)

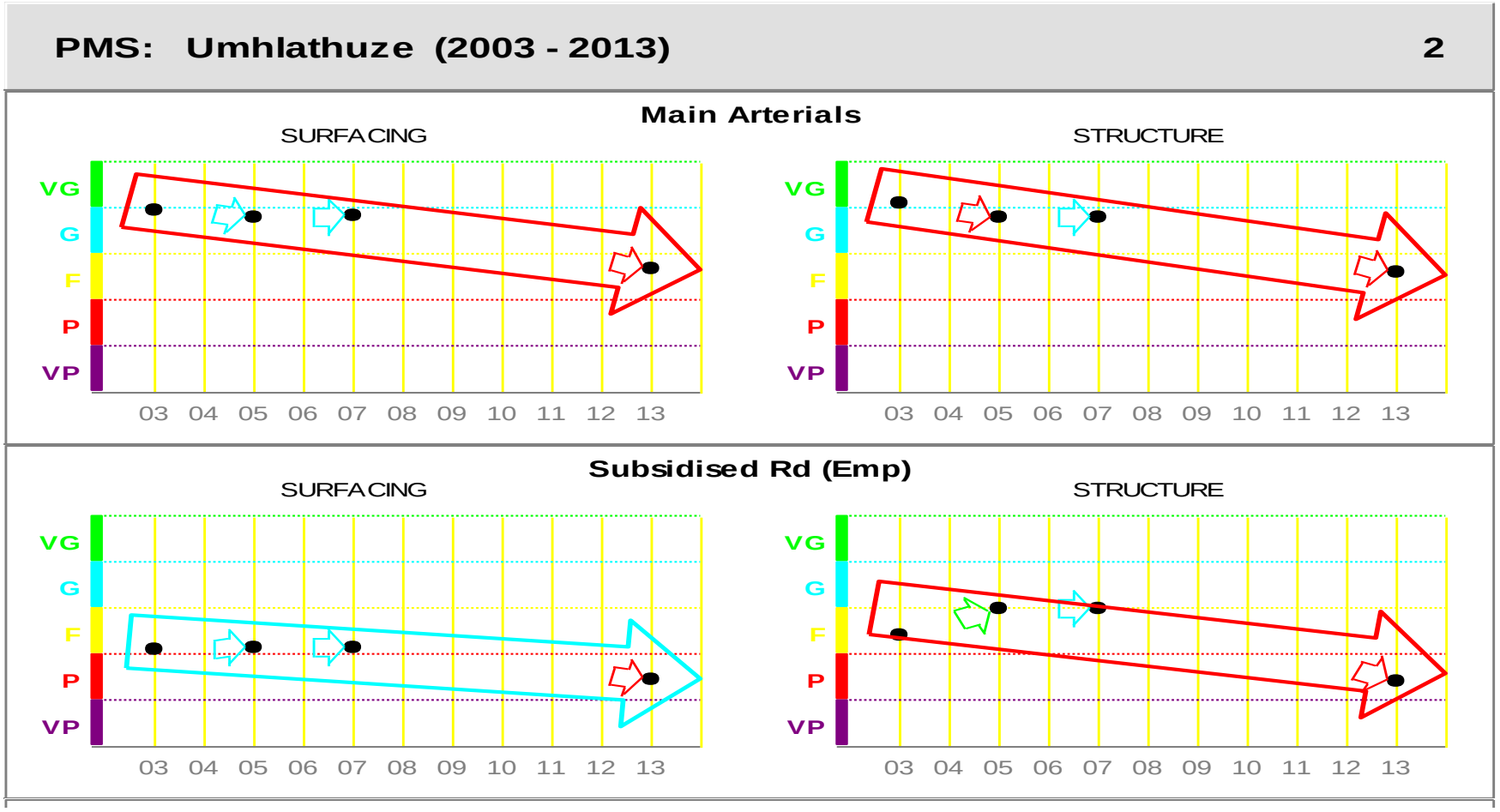
Future requirements: R46 million per year (Reseal and Surfacing)

Fig 2.3



This backlog can be seen looking at the trends of the condition of our roads since 2003 shown in the diagram below which clearly indicates a decline from 2003:

Fig 2.4



4.1km of roads, which included portions of Allumina Allee, Guldengracht and a number of intersections in Empangeni were resealed in 2013/14.

Deep milling and in-situ cement stabilization of a portion (500m) of the North Central Arterial from 200m south of the Brackenham traffic signals was completed in 2013/14 with the remainder to be completed in the 2014/15 financial year.

Before and after pictures of North Central Arterial are included on DMS 981068.

Rail Sidings

The Maintenance of the City's 17.2 km of Rail Sidings is on track and for the 2013/14 year there have been no casualties, fatalities or derailments. This is mainly as a result of monthly inspections being carried out on the whole 17.2 km of track and all the maintenance work required carried out timeously.

3. STORMWATER SYSTEMS AND COASTAL PLANNING SECTION

The Storm water Systems and Coastal Planning deals with the overall storm water management and operations functions throughout the City, as well as the Coastal management functions through liaison and coordination of meetings with various stakeholders involved in all activities and functions along the City's coastline.

The overall storm water-related infrastructure throughout the City of uMhlathuze is as listed on the below table.

Table 3. 1

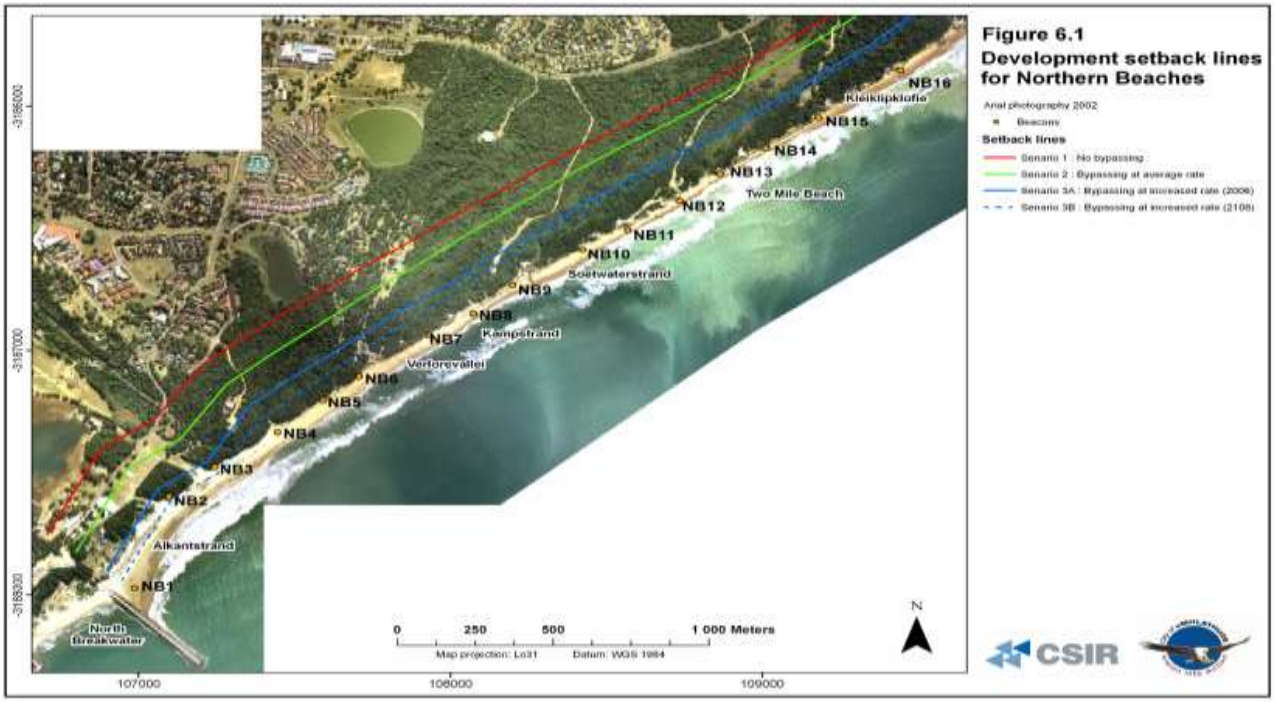
CITY OF UMHLATHUZE					
STORMWATER CHANNEL and URBAN ROAD LENGTHS PER SUBURB MAINTAINED- 1 JULY TO 30 JUNE 2014					
AREA	SUBURB	STORMWATER LENGTH (m)			ROADS LENGTH (km)
		Concrete Channel	Earth Channel	Furrows	
RICHARDS BAY	Alton North	234	3345	445	21.4
	Alton South	3887	4348	256	32.5
	Aquadene	1925	449	0	9.8
	Arboretum	2324	8949	0	53.7
	Birdswood	208	1905	0	23.6
	Brackenham	2541	249	267	26.1
	Meerensee	596	1463	9	59.1
	Veldenvlei	1048	5430	0	20
	Wildenweide	1964	900	623	7.5
	Mandlazini	0	0	0	18.3
	Mzingazi	0	0	0	10.7
EMPANGENI	Central	27	0	646	17.1
	CBD	1099	3339	0	22
	Empangeni Rail	0	433	67	16.3
	Fairview	2116	0	0	15
	Grantham Park	803	508	0	16.1
	Kildare	50	0	0	7
	Kuleka	130	214	0	13
	Noordsig	0	0	0	3.8
	Nyala Park	0	70	0	15.4
	Richem	0	186	0	8.1
	uMhlathuze Village	298	855	0	17.5
	ZSM Industrial	16	67	0	1.4
	Carsdale	308	0	0	2.8
	Hillview & Ext.	171	0	983	6.7
	Panorama	0	0	0	6.5
	Zidedele Village	0	0	0	1.4
NGWELEZANE	UNIT A	117	0	0	21.8
	UNIT B	0	0	0	21.2
eSIKHALENI	UNIT H	5788	3900	163	48.1
	UNIT J	3507	6382	24	34
FELIXTON		233	1271	0	10
eNSELENI		321	1118	0	22.2
VULINDLELA		0	823	39	7.9
SUBURB NOT AVAILABLE		2282	2303	0	51.5
TOTALS		31993	48507	3522	669.5

The total scope of the area of coastal protection for the City of UMhlathuze is as follows, as can be depicted within the below photograph following along the ‘red-line’.

Fig 3.1

A furthermore study has been developed in 2008 that indicates the extent of the beach erosion challenges that have been experienced over the past year along the City of uMhlathuze’s coastline. Notice the coastal setback-lines over the years.

Fig 3.2



The current projects under operation in the section and their values are:

- A 2 year maintenance through cleaning of all existing open storm water systems and servitudes, streets and storm water kerb inlets throughout the City of uMhlathuze. This scope of this Contract involves the appointment of 10 emerging Contractors that are to operate in the 10 different areas as follows: **Contract Value = R10, 9 million**

Table 3.2

Area 1	eSikhaleni and Vulindlela	Contractor: Cfiso Trading cc
Area 2	Arboretum, Meerensee and Mzingazi	Contractor: Enuf Distributors
Area 3	Veldenvlei, Birdswood and Mandlazini	No Contractor; being implemented in-house through the EPWP Programme
Area 4	Wildenweide and Brackenham	Contractor: Silver Solutions 1945 cc
Area 5	Richards Bay Central Business District	No Contractor; being implemented in-house through the EPWP Programme
Area 6	Alton North	Contractor: Golden Rewards 382 cc
Area 7	Alton South	Contractor: Hkule Development Enterprise cc
Area 8	Empangeni North, Ngwelezane and Dumisani Makhaye Village	Contractor: Asihambe Women Construction cc
Area 9	Empangeni South and Felixton	Contractor: Lekhisa Trading Contractor cc
Area 10	eNseleni and Aquadene	Contractor: BBNM Trading cc

This project is registered with the EPWP Programme through the Department of Public Works. It therefore deals not only to address the service delivery concern, rather also with the social upliftment of the local community.

Relocation of Storm water line around Site H4185 in eSikhaleni – Contract Value = R280 000.
Contractor: Bhadaza Construction

The Construction included 80m of 450mm Storm water Pipe as well as 110m of 600mm Stormwater line. The Project was commenced on 17th November 2013 and was completed on the 10th January 2014.

An example of a typical storm water and street cleaning maintenance programme is depicted below. This is a storm water maintenance programme for the Transport Roads and Storm water Western Area, which includes Empangeni, Ngwelezane, UMhlathuze Village and Felixton, and is the programme being followed by the Contractors operating in this area.

Table 3.3

CITY OF UMHLATHUZE — ROADS AND STORMWATER

WESTERN DEPOT — MAINTENANCE

No	TASKS		2014 March W-1	W-2	W-3	W-4	April W-1	W-2	W-3	W-4	May W-1	W-2	W-3	W-4	June W-1	W-2	W-3	W-4	July W-1	W-2	W-3	W-4	August W-1	W-2	W-3	W-4	September W-1	W-2	W-3	W-4	October W-1	W-2	W-3	W-4	November W-1	W-2	W-3	W-4	Decem W-1	W-2	W-3	W-4	2016 Jan W-1	W-2	W-3	W-4
	ENUF: Empangeni South and Felixton (Emp Rail, Hillview, Fairview, Panarama, Killdaire, Richemp, Grantham Park & Kuleka)																																													
1	Street an Walkway Clean	P	■	■	■	■									■	■	■	■	■	■	■	■					■	■	■	■	■	■	■	■									■	■	■	■
		A																																												
		D																																												
2	Open Storm water Drain	P					■	■	■	■	■	■	■										■	■	■	■	■	■	■	■							■	■	■	■	■	■	■	■				
		A																																												
		D																																										■	■		
3	Pipe Cleaning and Jetting	P											■	■											■	■											■	■										
		A																																												
		D																																												
4	Catchpit Cleaning	P	■	■	■	■									■	■	■	■	■	■	■	■					■	■	■	■	■	■	■	■									■	■	■	■
		A																																												
		D																																												
	ASIHAMBE: Empangeni North (Nyala Park, Ngwelezane & uMhlathuze Village)																																													
1	Street an Walkway Clean	P	■	■	■	■	■	■	■	■				■	■	■			■	■	■	■	■	■	■	■	■	■	■	■					■	■	■	■				■	■	■	■	■	■
		A																																												
		D																																												
2	Open Storm water Drain	P	■	■	■	■									■	■	■														■	■	■	■											■	■
		A																																											
		D																																												
3	Pipe Cleaning and Jetting	P								■	■	■											■	■													■	■										
		A																																												
		D																																												
4	Catchpit Cleaning	P	■	■	■	■	■	■	■	■				■	■	■			■	■	■	■	■	■	■	■	■	■	■	■					■	■	■	■				■	■	■	■	■	■
		A																																												

P= Planned
A= Actual
D= No of Days

No	Task
1	Catchpit cleaning
2	Open Stormwater drains
3	Pipe cleaning & Jetting
4	Street and Walkway Cleaning

Storm water Management Bylaws

The Council of uMhlathuze Municipality has in terms of Section 156 of the Constitution, 1996 (Act 108 of 1996), read in conjunction with section 11 of the Municipal Systems Act, 2000 (Act no 32 of 2000), made the following bylaws; which can be viewed under the City of UMhlathuze website : www.uMhlathuze.gov.za , or under DMS 671129

Bylaws	DESCRIPTION
Storm Water Management Bylaw DMS 671129	New bylaw promulgated in 2011 and developed to protect open water resource and to enforce stricter controls for managing this area more effectively.

4. RURAL ROADS

The Rural Roads Operations Section constructs all rural roads, access roads and pipe culvert bridges for the citizens of the City living in rural areas. The section has achieved all its goals set out in the previous financial year. In the 2013/2014 financial year Rural Roads graded 290km of roads, gravelled 38.2km and installed 75 Pipe Culvert bridges thereby assisting hundreds of residents residing in the rural areas.

The table below represents the Total work that has been executed in the 2013/2014 financial year: 1 July 2013 to 30 June 2014.

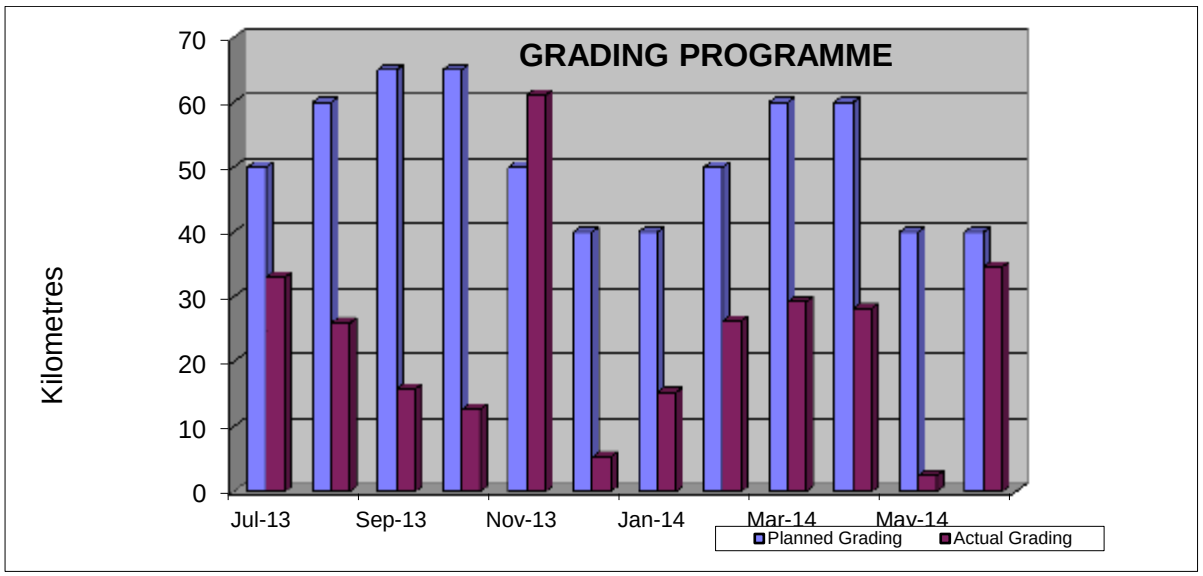
Table 4.1

DATE	Roads Graded		Roads Gravelled		SW Pipe Culverts	
	Km's Graded	Work in Wards	Km's Gravelled	Work in Wards	No Sites	Work in Wards
Jul-13	33	12,15,6,10,18,30,11,22	2.4	18,20,15,16	0	0
Aug-13	26	14,16,6,1,4,29,25,24,10,22,18	9.2	8,24,5,6,12	0	0
Sep-13	16	10,30,19,18,11	3.1	4,12,13	0	0
Oct-13	13	10,11,18	0.3	4	16	5,6,12,13,10,11,24,25
Nov-13	61	4,5,6,10,11,12,13,15,18,19,22	0.1	29	0	0
Dec-13	5	4,5,6,7,8	4.1	10,11,8,13,25	0	0
Jan-14	15	6,10,11,12,13,24,25,29,30	7.1	25,7,13,14,15	0	0
Feb-14	26	11,14,15,16,19,22,25,27,28,29,30	0.3	7	0	0
Mar-14	29	5,6,12,13,14,15,24,10,30,29	0.9	30	13	7,8,6,14,15,18,19,27,28
Apr-14	28	13,6,4,5,7,8,29,28,11,19,10	3.2	19,22,15,	13	13,7,14,10,22,15
May-14	2	6,5,18,30	4.7	19,20,22,7,13,14,15,16,17	15	13,14,7,22,18,19
Jun-14	35	16,14,12,13,15,1,24,25,27,29,11,10,19	2.7	14,7,27	18	29,22,30,7,19
TOTAL	290km		38.2km		75	

GRADING PROGRAMME AND OTHER INFORMATION

290 Kilometres of Grading was done in the financial year 2013/2014 and the work was carried out throughout the year as can be seen in the below chart.

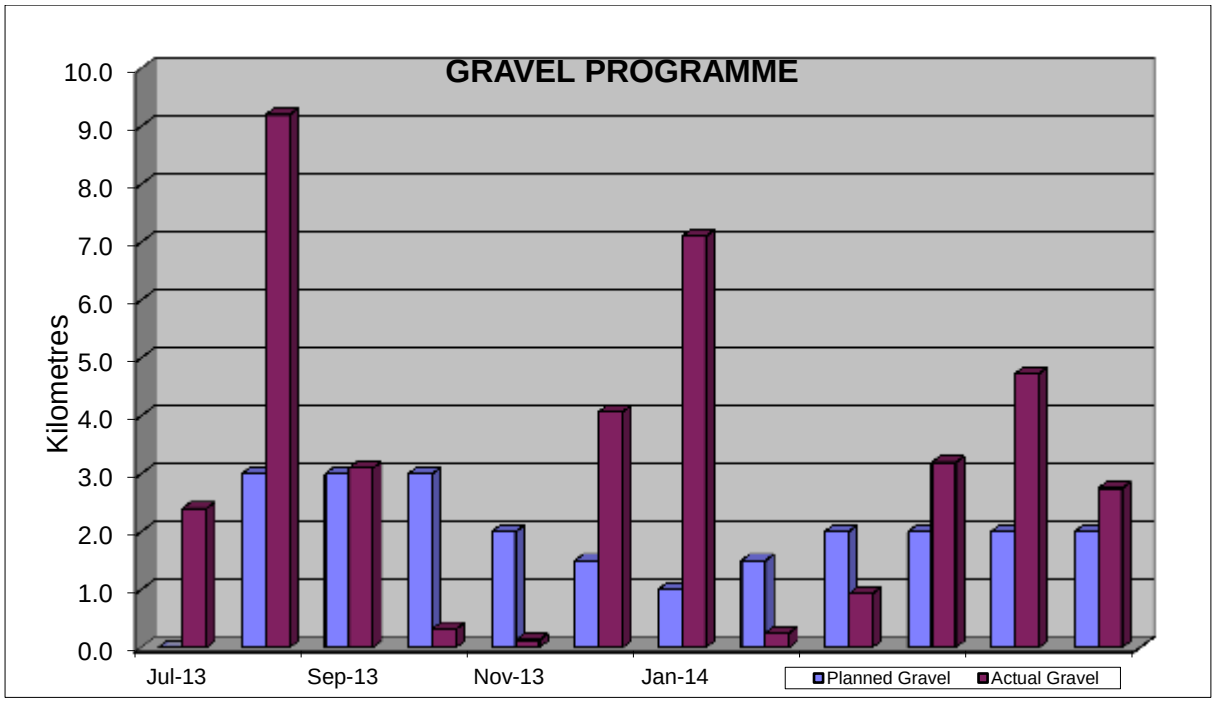
Fig 4.1



GRAVELLING PROGRAMME AND OTHER INFORMATION

38.2 Kilometres of Gravelling was carried out. The gravelling programme for the year is reflected in the graph below.

Fig 4.2



TOTAL WORK CARRIED OUT / EXECUTED SINCE OPERATION

This is all the Grading, Graveling and Pipe Culvert that has been carried out from 2008/2009 to 2013/2014.

Table 4.2

TOTALS	KM'S GRADED	KM'S GRAVELLED	PIPE CULVERT
2008/2009	680.6 KM	38.7 KM	54 Sites
2009/2010	289.5 KM	32.9 KM	101 Sites
2010/2011	460.2 KM	19.8 KM	43 Sites
2011/2012	431.3 KM	12.7 KM	52 Sites
2012/2013	609 KM	49.2 KM	41 Sites
2013/2014	290 KM	38.2 KM	75 sites

***The variance in quantities is due mainly to plant breakdown and lack of funding for plant hire as well as availability of suitable gravel material.**

DMS 978726

ELECTRICITY SUPPLY SERVICES

City of uMhlathuze receives supply from eight (8) of Eskom's Point of Supply, and distribute to about 35 087. Of these 35 087 customer base, 87 are key customers, which includes Mondi Group, Coallink (Transnet Freight Rail - TFR), Tata Steel and all supplied at 132kV Voltage level. Transnet National Port Authority (TNPA) will be the next customer fed at 132 kV, the project is at execution stage. The following are other key customers which are supplied at 11kV, viz. Richardsbay Coal Terminal (RBCT), Bell Equipment, Eskom Distribution and Mhlathuze Water.
About 3000 customers are categorised as large power user (LPU) and supplied at 400 V and while about 32000 are residential or small power users at 230V.

The total notified maximum demand (NMD) is 297.4 MVA for all eight (8) points of supply and the maximum demand (MD) reached was 264.1 MVA in June 2014.

Richardsbay business is consuming the highest of 206 MVA with the NMD of 230 MVA, followed by Empangeni at 36 MVA with NMD of 40 MVA, then eSikhaleni at 9 MVA for 16 MVA NMD, Ngwelezane at 6.2 of 7 MVA, eNseleni at 2.3 MVA of 2.7 MVA, Vulindlela at 0.5 MVA of 1 MVA (via Unizulu).

There will additional load of 3.33 MVA from electrification projects which are underway and expected 17 MVA for Sappi Development.

The City has total of 43 Substations, of which 12 are 132 kV and 33 are 11 kV, total 355 km of 11kV Overhead Line (OHL); 100km of 11kV underground cable (UGC); 660 Minisubs, 53 Ring Main Units; 136 Pole-mounted transformers; 6400 metering kiosk; 16100 Streetlight Poles and 86 Traffic Robots

1. Customer Services, Marketing and Retail

All customers consumed a total of 1 427 GWhs of electricity while 1 576 GWhs was purchased from Eskom resulting in a total energy loss of 149 GWh which amounts to an average loss of 9% over the financial year. It is to be noted that the energy losses are showing a slow decrease in 2012/2013 the annual average energy loss amounted to 10%. This figure includes both technical and non-technical losses.

The Notified Demand for Richards Bay amounts to 230 MVA and the highest registered demand recorded over the 2013/2014 Financial year was 214 MVA (fig 1)

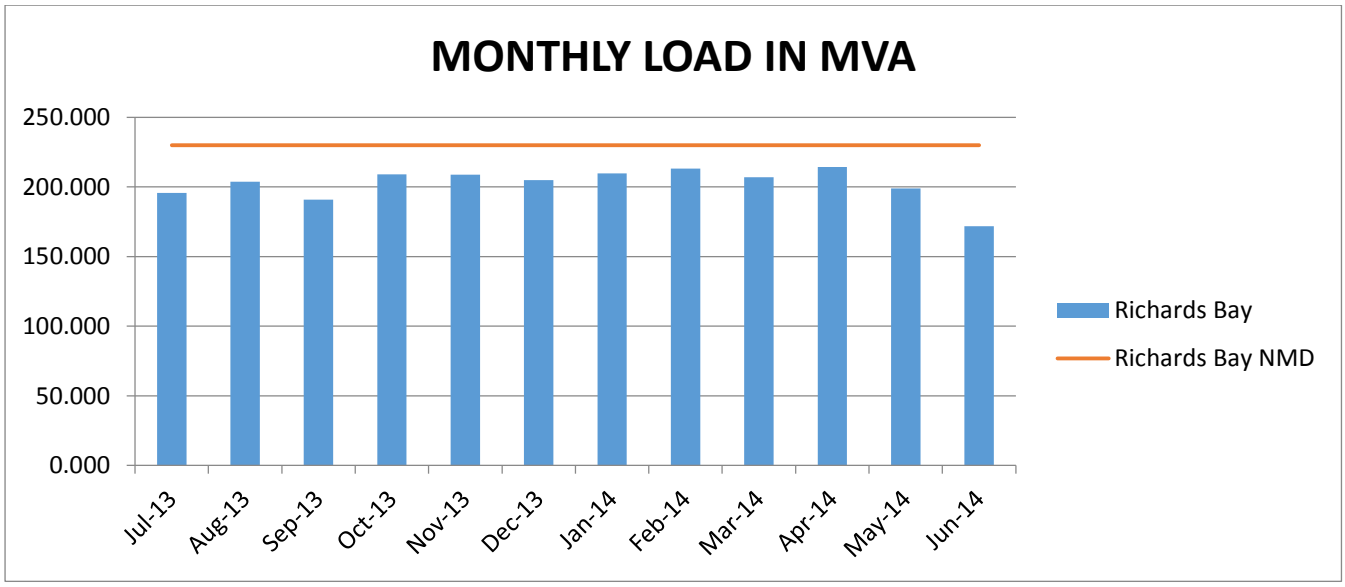


Fig. 1

The remaining Points of Distribution supplied by Eskom are a follow with the following Notified Demands
Esikhaleni: 16 MVA
Empangeni Main: 20 MVA
Empangeni Logan: 20 MVA
Ngwelezane: 7 MVA
eNseleni: 2.5 MVA
Ngoye: 0.7 MVA

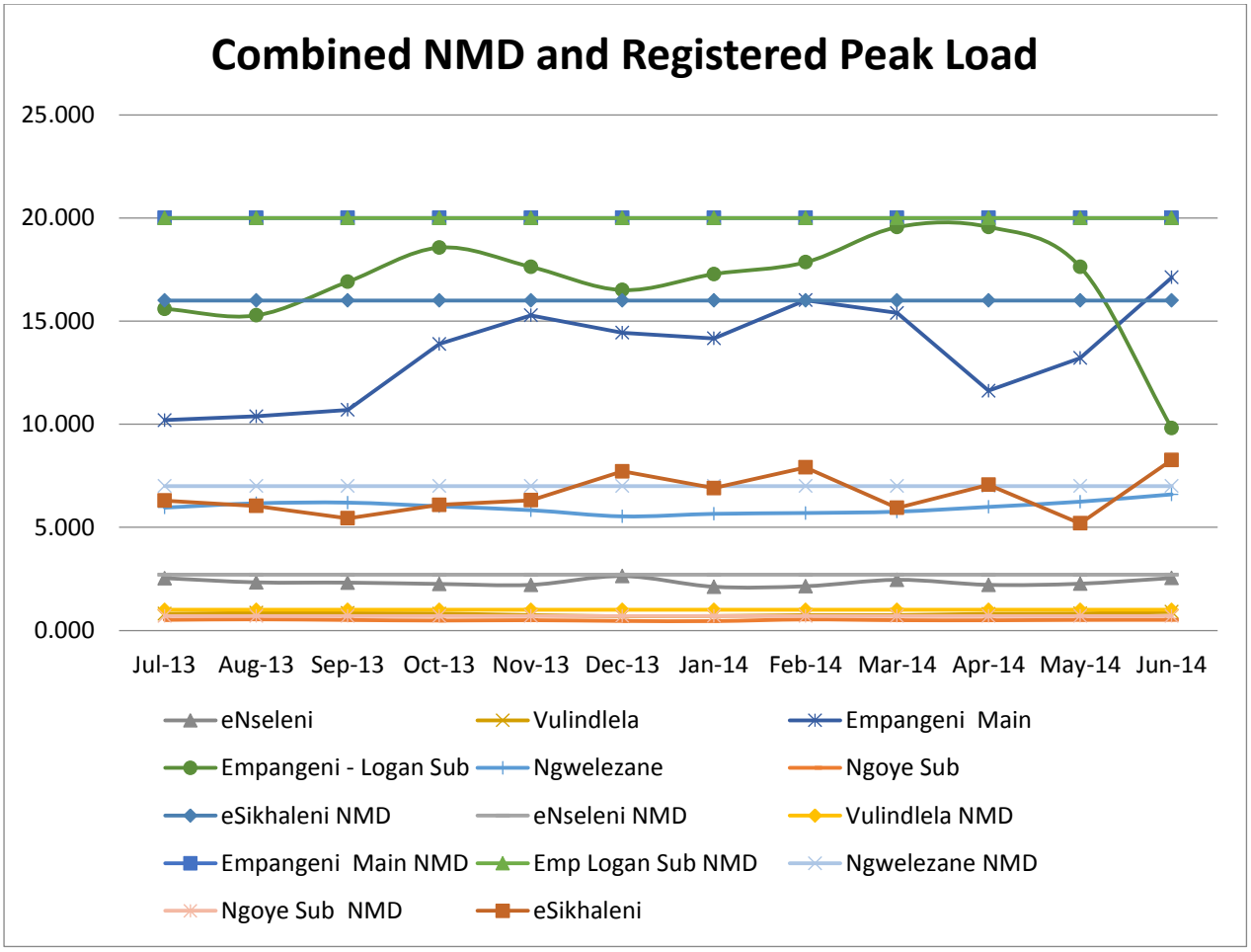

Combined NMD and Registered Peak Load
25.000
20.000
15.000
10.000
5.000
0.000
Jul-13
Aug-13
Sep-13
Oct-13
Nov-13
Dec-13
Jan-14
Feb-14
Mar-14
Apr-14
May-14
Jun-14
eNseleni
Vulindlela
Empangeni Main
Empangeni - Logan Sub
Ngwelezane
Ngoye Sub
eSikhaleni NMD
eNseleni NMD
Vulindlela NMD
Empangeni Main NMD
Emp Logan Sub NMD
Ngwelezane NMD
Ngoye Sub NMD
eSikhaleni

Fig. 2.1

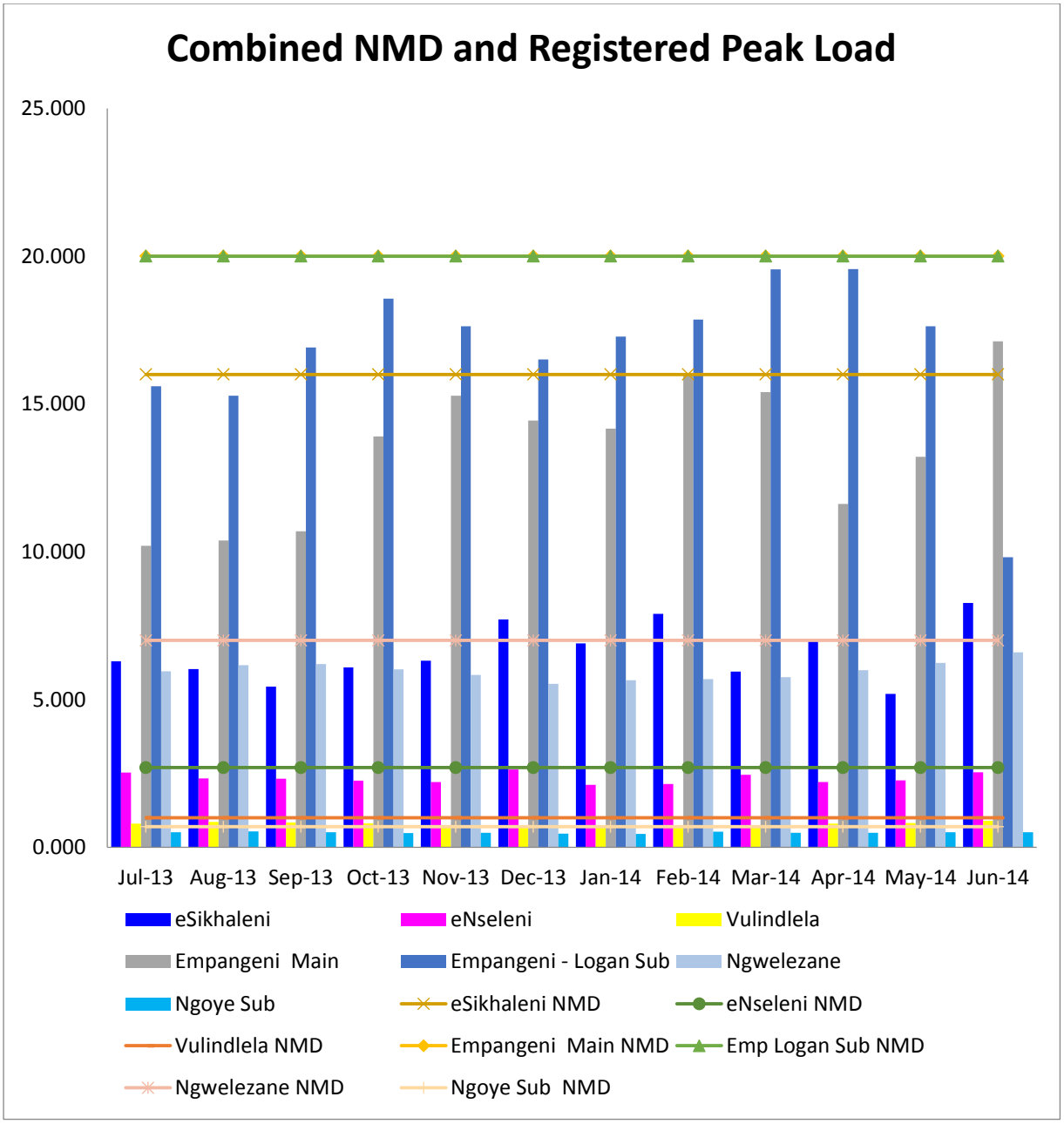


Fig 2.2

The consumption of Municipal installations amounted to a total value of 24 674 871 kWh for 2013/2014 and the total cost of electricity amounted to R22 409 598.

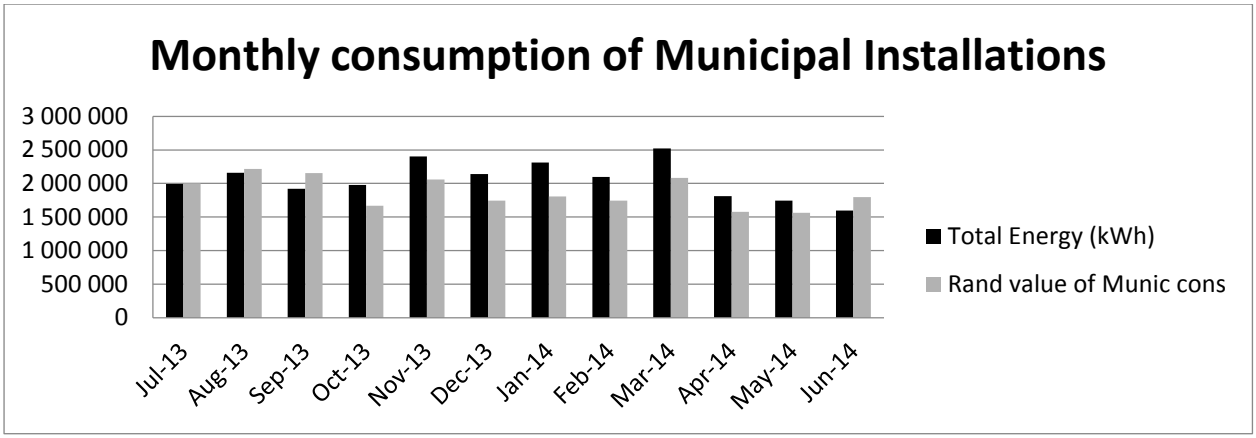


Fig 3

The Municipality's Top Energy Consumers

Energy losses:

The Electricity Supply Services Department embarked on a project in April 2013 to identify and address energy losses in the City of uMhlathuze.

The process entailed the following:
Audit of all miniature substations,
Audit of all Ring main units,
Audit of all Pole Mounted transformers,
Identifying and replacement of redundant / old metering equipment i.e CYLP meters and Indigo+ meters,
Installation of bulk meter is miniature substations.

The installation of bulk meters in substation/mini-substations and pole mounted transformers which started in July 2013 order to attempt reconciling the electricity consumed by the Business and Commercial Customers has already yielded results.
Meter replacements only started in July 2013 after the required installation audits were complete.
To date a total of 334 meters were installed or replaced.

Below the distribution of the meter installations:

	Minisub Bulk	Customer Meters
Richards Bay	119	69
Empangeni	12	74
Esikhaleni	34	11
Vulindlela	0	8
Nseleni	0	2
Ngwelezane	0	4
Felixton	0	1
	165	**169**

A separate project was launched to replace the old redundant CYLP meters and the Indigo+ meters previously used by the erstwhile Empangeni Municipality. The Indigo+ plus meter is a programmable meter but currently no software is available to interrogate these meters. These meters can however still be read manually and is still used for customer billing.

Identification of CYLP meters was done using a method of identifying installations with a multiplication factor. Although not 100% accurate, a total of 122 installations were identified. The feedback from subsequent meter audits will be used to locate further possible CYLP meters and hopefully Indigo+ meters.
During the project a number of 5Amp kWh were also replaced. These meters were installed at installations where the capacity is such that current transformers are installed with a kWh (energy only) meter because the customer is not charged for maximum demand. It has been the norm to bill non-profit organisations the domestic tariffs and these meters therefore were commonly installed at schools, churches and crèches. As a result a total of 18 meters were replaced and mainly metered schools, 8 in Richards Bay; 3 in Empangeni; 2 in eSikhaleni and 5 in Vulindlela

Although a relative small suburb with only approximately 300 consumers the energy losses in Vulindlela spiralled out of control during the 2012/2013 financial year averaging between 30 % and 40 % per quarter. After the audits and repair of tampered supplies the energy losses decreased and are currently remaining at an average of 17%.

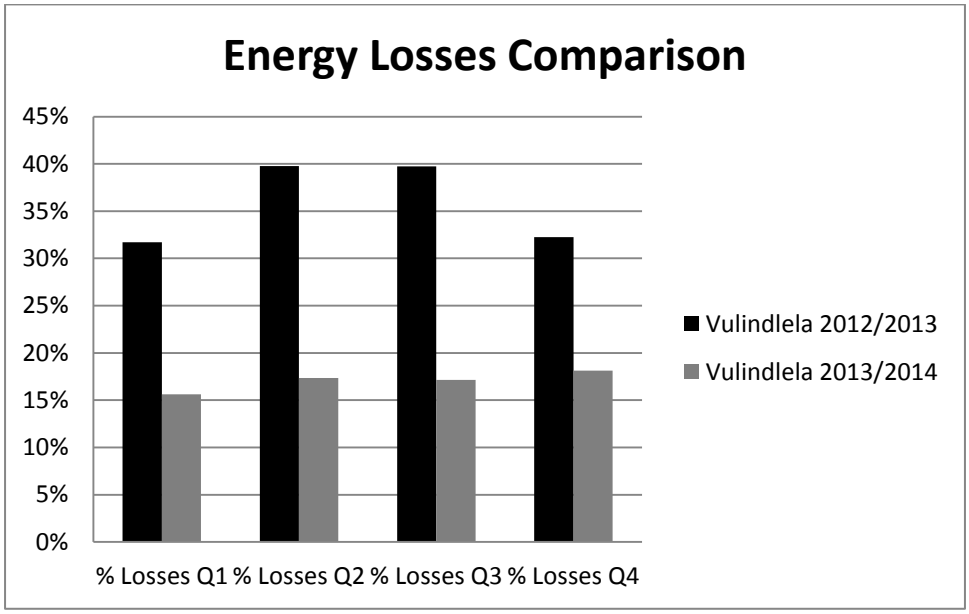


Fig 4

During the 2013/2014 financial year a considerable increase in energy losses in Ngwelezane can be seen and a similar project as in Vulindlela will be launched during

the 2014/2015 financial year with the funding allocated on the Energy Losses capital vote.

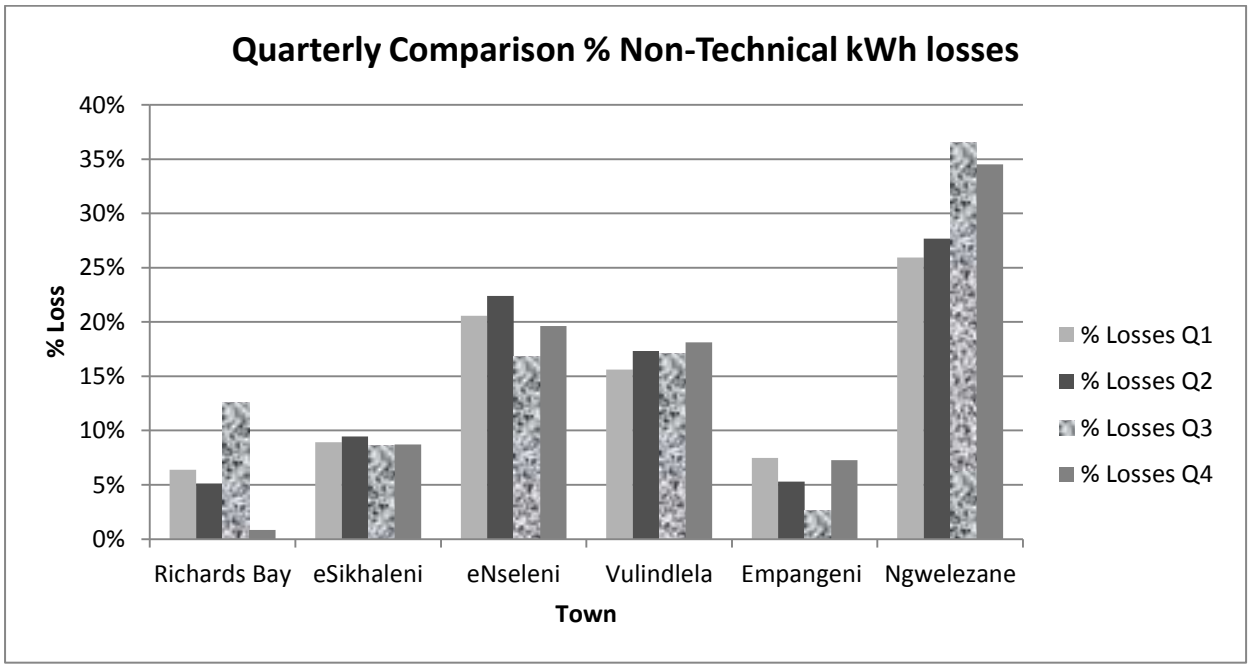


Fig 5

Ngwelezane has very few check meters installed and this is because of the installation of Split Prepayment meters by the erstwhile Empangeni Municipality. No space is available in kiosks to install check meters. Thus accurate measurement of 'stolen' energy is not possible and calculations iro tampering can only be affected for one year using the average calculated prior to the established date of the tamper or using the Council resolution. Under-recovering is taking place.

Although the national average is 14% and the overall, average of the City is 9% it is a concern that some areas are exceeding the 14% national average.

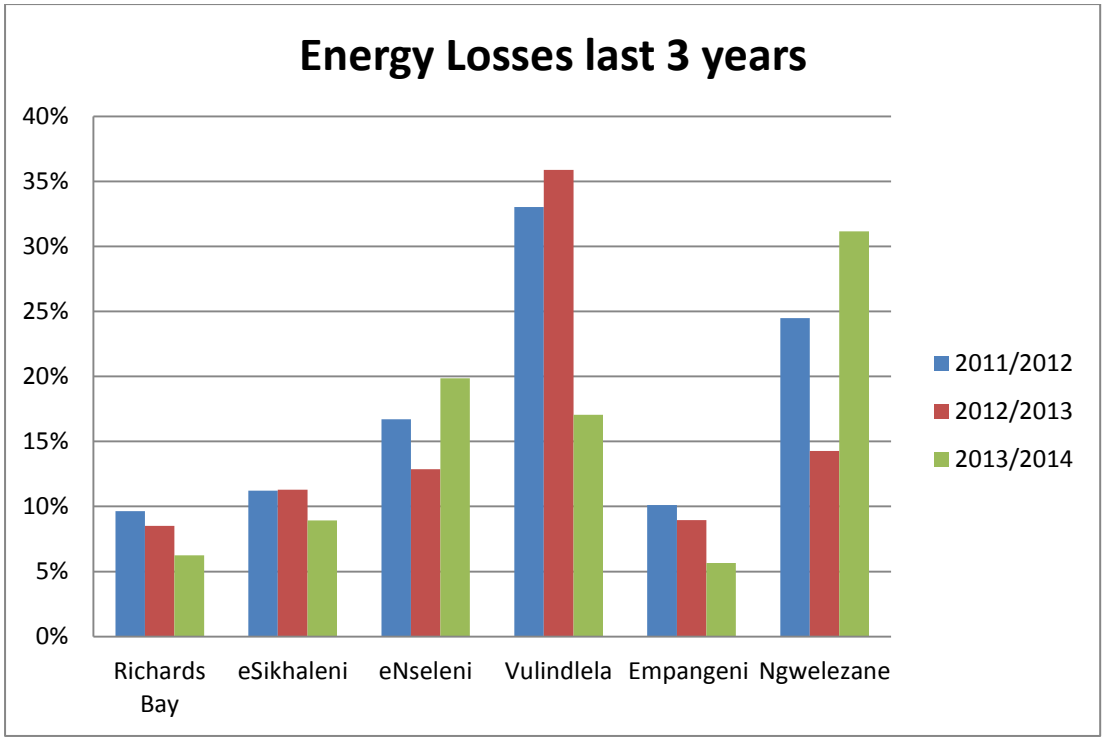


Fig 6

Revenue Protection

Prepayment Meter Audits: All Areas			**Annual Total**
Houses Visited (general audits) EES			833
Number of customers billed for Tampering:			77
Number of customers billed for Unpaid Elect Consumed (faulty meters):			17
Number of customers billed for Unmetered Elect Consumed:			15
Clearance certificate audits requested by CFO			2015

The Check meter reading contract was revived and the contractor appointed in November 2013. Regular meter readings will improve the impact of the Department not having up to date data to identify possible tampered / faulty meters which are starting to show in the increase of losses.

Total Household Connections Connected As Per Eskom

TOTAL NUMBER COMPLETED CONNECTIONS AS AT 2013/2014 FINANCIAL YEAR END (AS PER ESKOM)

MUNICIPAL CODE AND NAME	BUDGET YEAR	PROJECT NAME	PROJECT TYPE	PROJECT STATUS
Nkosazana	2011-2012	KZN282 uMhlathuze	Household	101
				101

Mkhoma/Ovondlo	2012/2013	KZN282 uMhlathuze	Eskom Infills	235
Amanzamnyama	2012/2013	KZN282 uMhlathuze	Eskom Infills	236
Sibhakuza	2012/2013	KZN282 uMhlathuze	Eskom Infills	382
Mondi	2012/2013	KZN282 uMhlathuze	Eskom Infills	259
Mawulasha	2012/2013	KZN282 uMhlathuze	Eskom Infills	58
Lindizwe	2012/2013	KZN282 uMhlathuze	Eskom Infills	276
Lamula	2012/2013	KZN282 uMhlathuze	Eskom Infills	60
				1506
Esikhawini - Island	2013/2014	KZN282 uMhlathuze	Household	1116
Ndabayakhe Island	2013/2014	KZN282 uMhlathuze	Household	1 000
				2116
Msasandla	2013/2014	KZN282 uMhlathuze	Household	650
Ntuze	2013/2014	KZN282 uMhlathuze	Household	780
Ndabayakhe	2013/2014	KZN282 uMhlathuze	Household	600
Mpembeni	2013/2014	KZN282 uMhlathuze	Household	330
				2614
OVERALL TOTAL				**6337**
OUTSTANDING				**2648**

2. Operations and Maintenance (Substation, HV & MV Operations)

Operations & Maintenance constantly seek to deliver reliable electricity supply to customers by maintaining the network to avoid outages, and by responding promptly to outages when they occur. Hence, COU's network reliability is measured by the frequency and duration of power interruptions in the network. Most of power interruptions that customers experience reflect faults or failures of the medium voltage (MV) network.

The 2013/2014 reporting period saw unplanned MV outages being restored 0.5 hrs quicker than the preceding year (2012/2013). Table 1 show that approximately 335 hours of supply were lost during the reporting period. The lost hours represents a 1% change in supply service availability from the hours recorded in the preceding year. Year 2013/2014 also presented major challenges for the HV network, where approximately 10 days of supply were lost due to the simultaneous failure of two HV cables.

MV Outage Duration		
	2012/2013	**2013/2014**
Average	3.5	3.0
Minimum	0.75	1.0
Maximum	13	18
Total	423	335

Table 1. Outage duration summary

Another metric COU finds useful in measuring network reliability is the frequency of interruptions. Outage frequency data for the two financial years is presented on figure 1 below.

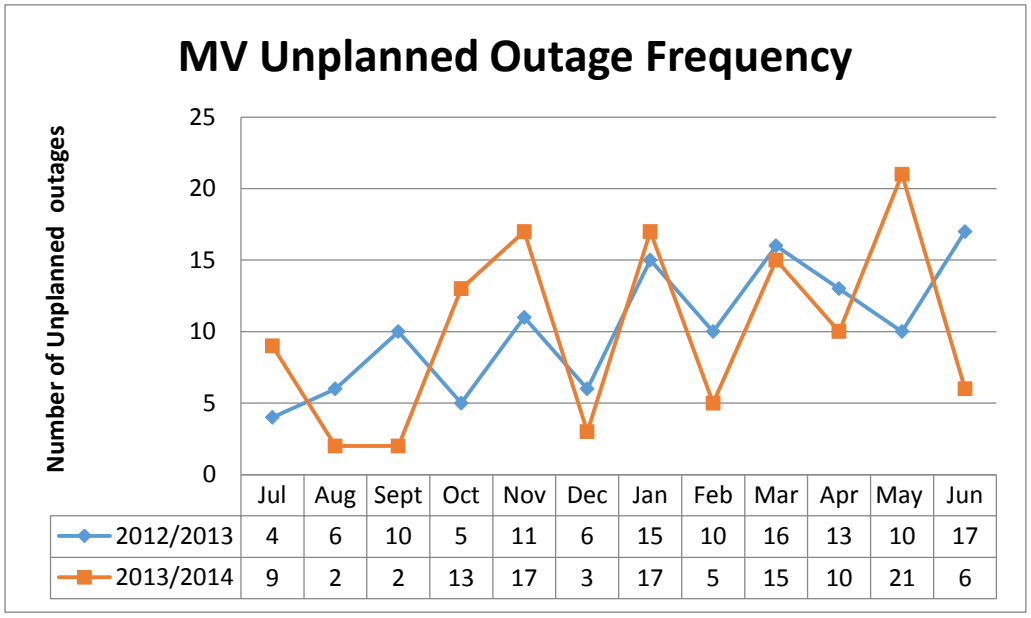


Figure 1. Outage frequency

Figure 1 shows that MV network faults are seasonal. In the winter months, there's typically low frequency and probability of fault occurrence as opposed to summer. This trend is explained by the fact that most of our MV network is powered by underground cables. With the summer rains comes a sharp increase in ground moisture, which compromises aged cables and leads to a higher probability of failure. The sharp drop in faults for December is thought to be a result of the closure of most light industrial customers for the end of year break. A steep increase is also recorded in January as production resumes for the New Year.

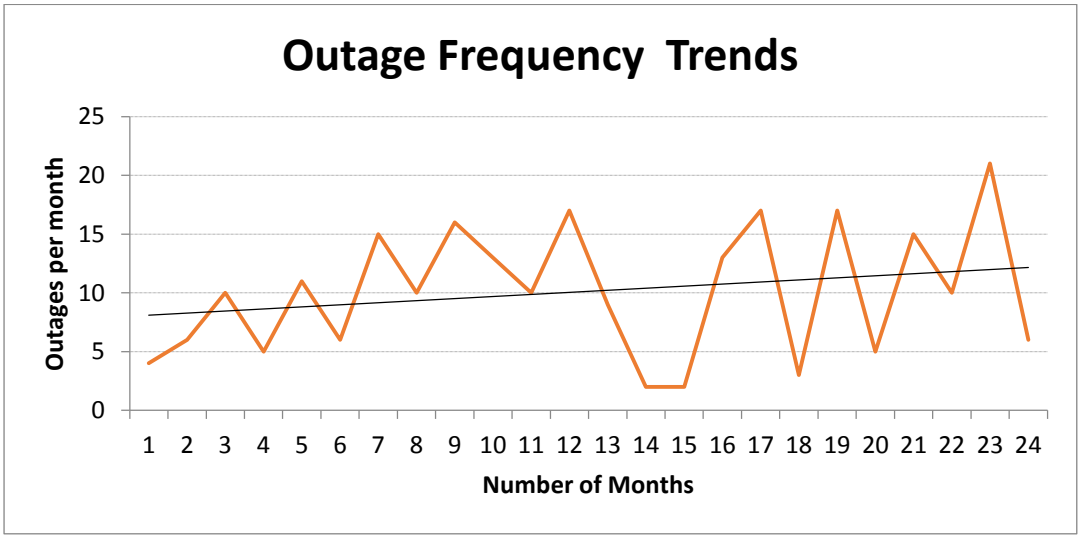


Figure 2. Outage frequency trends

Further analysis of the outage frequency data from the past two years show that on average, and with every passing month, the number of faults increases. This comes as no surprise as most of the network equipment was installed approximately 40 years ago and therefore most of the major components have reached their end of useful life. Under normal circumstances, maintenance can be used to flatten the trend. As shown in figure 3, most of our outages may be attributed to cable failure. While we are currently sitting where no proven methods of cable maintenance exists; cable replacement (which comes at significantly high amounts of capital costs) remains the only viable method of reducing cable faults.

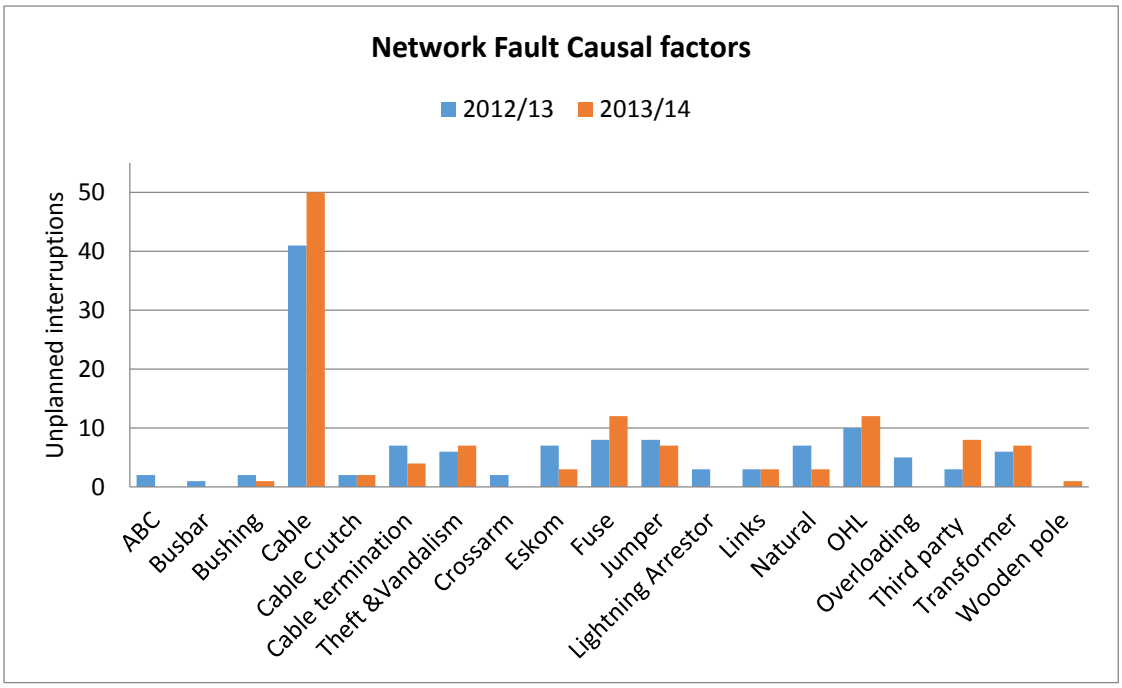


Figure 3 .Causal factors

In 2013/2014, we attributed around 88% of failures towards network equipment .Although cable faults were a major contributor towards the number of interruptions in the previous year, this year saw cable related faults rise from about 35% to a significant 45% (of total faults). This significant rise is attributed to the frequent failure of the eSikhaleni cables, which peaked towards the end of the financial year. Because our MV networks generally have more line length than the HV networks, reducing interruptions by building redundancy into the majority of distribution networks would have a prohibitively high cost.

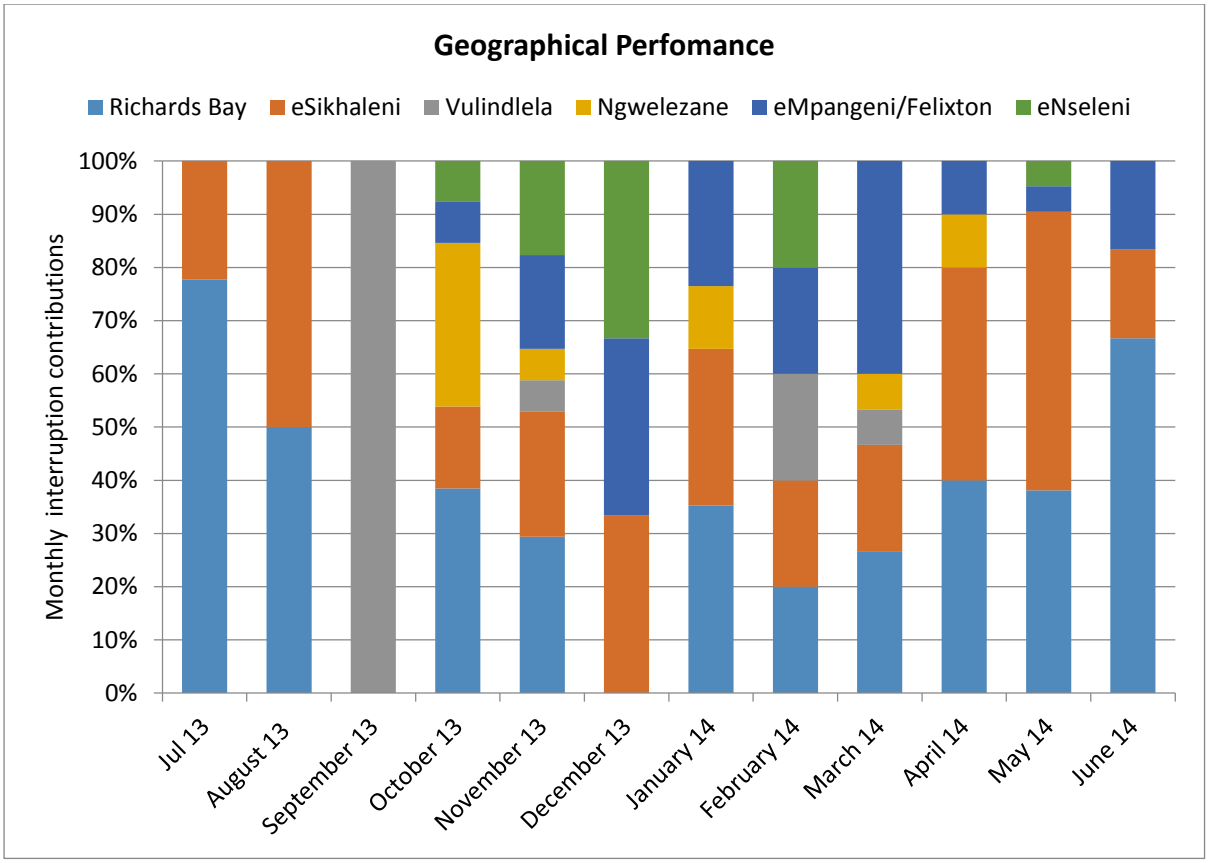


Figure 4. Geographical performance

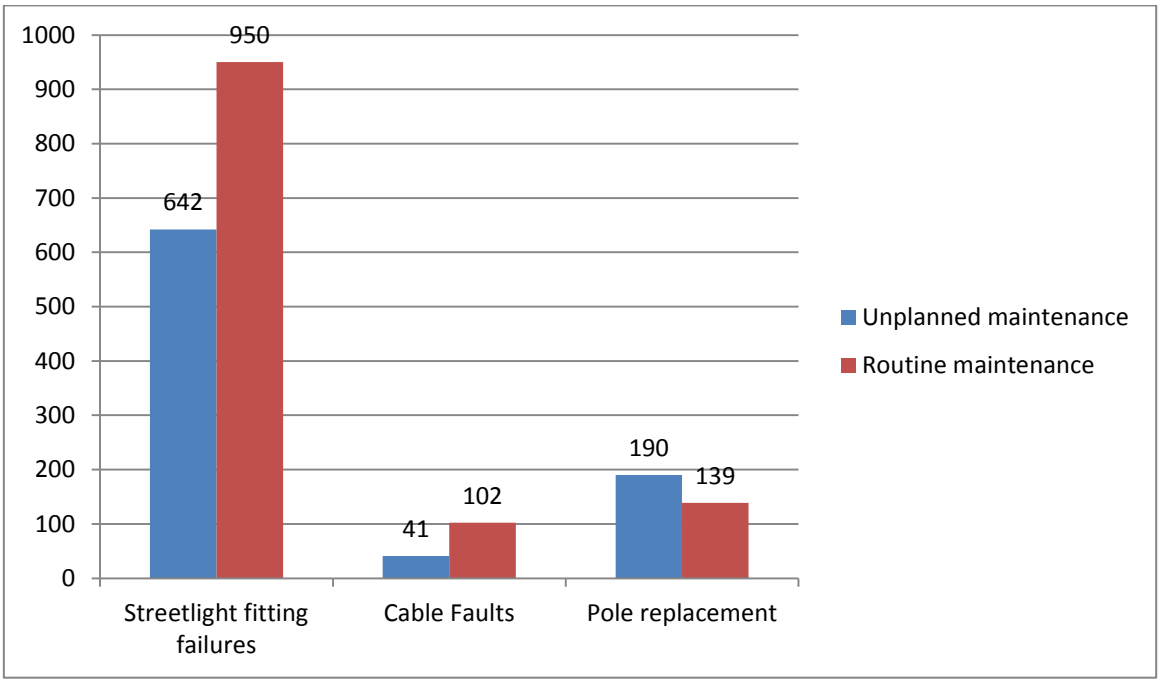
The significance of these causal factors varies across the geographic areas/towns.Figure 4 shows that the majority of faults occurred in the eSikhaleni and Richards bay areas. Although not presented in this discussion, most of the interruptions in these two areas are attributed to cable faults. In the case for Richards Bay (and although a possibility), one cannot confirm whether coastal proximity (and pollution) as well as an increase illegal connections has been an effect.

Some factors affecting reliability, such as the condition of the network and the level of redundancy (subject to planning), can be controlled by the organization. Others, such as weather events, customer density, are not. For example, some networks — and especially those in the boundary of the Municipality have on average lower redundancy. These characteristics increase the likelihood of interruptions, and longer outage durations. Although overall reliability data shows a network characterised by classic aging symptoms; the Mini-substation and RMU maintenance contracts in progress, and the soon to be implemented(HV cable; cubicles; and eSikhaleni cable replacement)contracts, will go a long way in bringing the much needed improvements in network reliability.

3. Public Lighting

The street lighting call centre has processed a total of 878 works orders which 642 were streetlight fitting failures, 41 cable failures, 5 cable thefts and 190 knocked down poles. On routine maintenance 950 streetlights were repaired, 139 streetlight poles replaced

and 102 streetlight cable faults repaired. The total number of lamps replaced amounted to 3540 while 326 fittings were and 552 photocells were replaced. The call centre is operational 24 hours a day on 0800222827, also allowing complainants to log calls either via the website at www.uMhlathuze.gov.za, or via e-mail to streetlights@uMhlathuze.gov.za



	Unplanned maintenance	Planned Maintenance
Streetlight fitting failures	642	950
Cable faults	41	102
Pole replacement	190 (Knocked down poles)	139 (Rotten/Rusted poles)

Pole replacement consisted of 34 rusted poles in Empangeni, 91 rotten poles in eSikhaleni and 14 rotten poles in Vulindlela.

4. Electricity Planning and Strategy Section

Overview

City of uMhlathuze Electricity Supply Services is committed to providing a safe zero harm, secure and reliable supply of energy in a cost-effective manner. City of uMhlathuze achieves this by planning its network and making investment decisions in line with Council and GRAP17 Capital Investment Process (CIP). Planning and Strategy section addresses strategic planning relating to capital investments and renewal of electricity assets. The technical decisions taken with regard to designs and operation of the network are in accordance with the compliance obligations of network management legislation, regulations and related codes of practice as per National Energy Regulator of South Africa (Nersa), and reflect recognised industry best practices and standards relating to the management of electricity infrastructure assets.

City of uMhlathuze's electricity network development is undertaken in accordance with the Electricity Supply Act and National Electricity Grid Code for Sub-transmission (132kV substations and Switching Stations as well as 132kV Feeders) and Distribution Network (11kV, 400V and 220V networks) Planning Criteria and Guidelines.

In general, City of uMhlathuze plans the development of its network to ensure:

- Network capacity is adequate to meet power transfer requirements as well as 10% to 20% supply reserve margin as stipulated in 2013/14 IDP to support the economic growth in the area of KwaZulu-Natal.
- Electrical and thermal design ratings (normal and overload) of equipment are not exceeded.
- Supply reliability is in accordance with published standards, or as negotiated to meet the special requirements of individual major network customers.
- Quality of supply meets published standards and system voltage levels are maintained within acceptable standard limits safety standards are maintained or exceeded.
- Environmental constraints are satisfied.

There are four major requirements that City of uMhlathuze electricity has adopted in order to achieve the smooth running and operating of the network and are as follows:

- Network Refurbishment projects
- Network Strengthening projects
- Network Reliability projects
- Energy Efficient Demand Side Management and Renewable Energy projects

Report on Capital Projects

There are various capital projects under different categories that were initiated during 2012/13 and 2013/14, some of the projects were realised during 2013/14 financial year and others will be realised during 2014/15 financial year due to nature of the project itself that caused duration to overlap to the following financial years.
All of the below mentioned projects deal not only with service delivery concerns but also with social upliftment as per EPWP programme.

1. **Private Development projects**
   Completed projects under this project category are as follow:

Project Name	Project Description	Comment
John Ross Interchange Business Park Development	Supply JRI development with 7.5MVA	The project was complete in March 2014
RBIDZ (Richards Bay Industrial Development Zone)	Supply IDZ 1A development with 10MVA	The project was 95% completed as at July 2014. 10% will be completed in August 2014

2. **Network Refurbishment projects**
   Projects that were completed during 2013/14 financial years are as follows:

Project Name	Project Description	Comment
Sirius substation refurbishment project	Replacement of outdated and unsafe 11KV switchgear with a new 14 panel latest technology vacuum type switchgear	Project completed
DC System Replacement	Replacement of batteries and chargers in substations	Project completed
Hydra Substation refurbishment project	Replacement of switchgear damaged due to internal fault	Project completed

   - The replacement of 12km 11kV cable in eSikhaleni due to aging is in tender stage and be realised during 2014/15 financial year. This project will address the outage problems that were experienced due to cable faults in the J1 section.
   - The replacement of obsolete 11kV switchgears in Cygnus for reliability of supply to the customer in tender stage and will be realised and the construction will start during 2015.
   - The replacement of damaged 132kV breakers at Polaris is in construction stage and will be completed during 2014.

3. **Electrification**
   Consultants were appointed to conduct designs for estimated households in Dumisane Makhaye Village Phase 7 (545) houses, Madlanzini (800) houses and Mzingazi (350) houses. The designs were completed during the second quarter of 2013/14 financial and

were based on pre-marketing of which the number of households came down and the appointments of contractors were made during the third quarter of 2013/14. The three electrification projects to supply Mandlanzini (564), Mzingazi (209) and Dumisane Makheye Villiages (559) households are in construction stage will be completed in October 2014.

Energy Management

City of uMhlathuze took a pro-active step in seeking non-network services for demand management solutions through expression of interest for the provision of renewable energies as well power saving emerging technologies in order to address the specific network constraints and minimise power outage.

1. Renewable Energy

An Expression of Interest to explore the potential and deployment of Renewable Energy in The City of uMhlathuze was called as to attract Independent Power Producers that have a sound knowledge of the different fields of Renewable Energy to participate. The required outputs were to determine which of the different Renewable Energy technologies would be a viable option while at the same time presents a Sound business plan.

The City of uMhlathuze engaged all entities after following the SCM process, as supported and endorsed by the Kwa Zulu Natal Province. Bidders have met the minimum requirements.
The bidders now have twelve months to perform the necessary feasibility studies to ensure the successful evaluation of the final proposal to the Municipality. Feasibility studies will reveal the duration and phases of all projects. Different technologies and their planned generation capacities that were submitted by the bidders are as follows:

Proposed Technology	Planned Generation Capacity
Photovoltaic Solar Plant 1	1.1MW
Photovoltaic Solar Plant 2	100MW
Gas to Energy Plant 1	15000-30000MW
Gas to Energy Plant 2	6MW
Municipal Solid Waste to Energy	5.8MW
Agricultural Biomass to Energy	
Waste Heat Recovery to Energy	10-20MW
Photovoltaic Solar Plant (Copper Indium gallium diselenide)	10MW
Agricultural Biomass & Lignin & Coal to Energy	5MW
Waste Tyres to Energy; Wave Harnessing & Agricultural Biomass to Energy	65MW
Planned Maximum Generation Capacity	**30 212.9MW**

2. Energy Efficiency

During 2013/14 the City of uMhlathuze Municipality implemented some of Demand Side Management initiatives in order for the municipality to respond to the required CO2 reduction over the period of time. Awareness and Education, Audits, feasibility studies and projects were done to identify partial network support opportunity through some of the loads used by municipality as well as industrial, residential and commercial customers. The following are initiatives implemented during 2013/14:

2.1. Audits done and completed

No	Project Name	Comment
1	RLM (Ripple Load Management): Household water heating and pool pumps	The required funding will be used to initiate a project to install energy saving devices and thus creating job opportunities and skills development
2	Pumps Stations: Installation of Soft Starters or VSD's (Variable Speed Drives) or any other equipment, in the water and sewer pump stations, to achieve load shifting	The required funding will be used to initiate a project to install energy saving devices and thus creating job opportunities and skills development
3	Auditing for HVAC (Heating Ventilation & Air Conditioning) systems for all municipal buildings	The required funding will be used to initiate a project to install energy saving devices and thus creating job opportunities and skills development
4	Audit for installation of LED (Light Emitting Diode) lighting with Motion Sensors and online tele-management for all municipal buildings	The required funding will be used to initiate a project to install energy saving devices and thus creating job opportunities and skills development
5	200 randomly selected Household Survey for energy consumption as per DoE requirement	The required funding will be used to initiate a project to install energy saving devices and thus creating job opportunities and skills development
6	Traffic Signal energy consumption base lining	The project under this audit was completed during 2013/14

2.2. Projects

No	Project Name	Progress Comments
1	Replacement of 50 old/obsolete Traffic Signal Controllers	The project is completed
2	Replacement of old/obsolete Traffic Signal LED's in 84 intersections	The project is completed
3	Replacement of the existing 400 units of 70W High Pressure Sodium (HPS) and Mercury Vapour streetlight Luminaries with 38 W LED's within The City of uMhlathuze: Ngwelezane Township "A".	The contractor is appointed and will start in September 2014

5. Process Control & Telecommunications

The Technical Operational Centre is operating 24 hours, 7 days week integrated information system without human intervention to staff requirement and driven centre that monitors and

evaluate level at which the municipality is rendering the Technical and Engineering Services to the industrial sector and households at large.

The scope of services incorporated in the nerve Centre covers the following services:

1. Electricity – Monitoring strategic power distribution points with alarm features and Historian devices.
2. Sewer – Monitoring of sewer plants and sumps with alarm and remote pump control.
3. Water – Monitoring of water plants, reservoirs with alarm and remote pump control.
4. Streetlights – Monitoring of street and traffic lights with alarm features dim functionality.
5. Fleet – Monitoring that vehicle follows prescribes roots with remote controlling of vehicles.
6. Metering and Load Management – Monitoring of meter consumptions vs supply demand in order to correct distribution scaling, enhance revenue protection and facilitate smart metering migration platform.

In order to have a fully functional Technical Operational Centre, a number of municipal based information technology systems have to be integrated to develop a systematic problem solving technique through these systems, which include the following:

- Municipal Tracking System – Municipal Integrated Solution
- Geographic Information System (GIS)
- Electrical Distribution, Load management and Online Metering Systems.
- Fleet Management system (Geotab)
- Water reservoir monitoring SCADA system – Adroits
- Sewer network line systems – SCADA system – Adroits
- Street Lights and Management System – Tele-management Systems
- Pressure management Systems SCADA Dashboard
- Electrical and Water Smart metering systems
- New staff for technical execution

The Technical Operational Centre has been developed for the following primary objectives:

- To protect the revenue of the Municipality by implementing load balancing and load management on its electricity network in a form of report generation.
- To drastically improve service delivery by managing electricity and water network with live data, remote intervention capabilities and proactive maintenance.
- To be pro-active and use the complaints data collected through the call Centre to identify and eradicate recurring network failures and mitigate bottlenecks in services.
- To ensure that sewer capacity or leaks are identified and documented in a useful manner for leakage eradication and future planning.
- To ensure that the Municipal fleet stick to predefined and prescribed routes and Municipal vehicles are utilized for official business only.
- To be able to urgently intervene when a vehicles is being used without authorization or is being stolen by remotely shutting down the engine of the vehicle in a responsible manner.
- To monitor feedback to consumers in complaints management using sms, telephony or email facilities.
- To restore the faith and trust of the community in the institutional capability.
- To ensure that power failures are reduced in peak times and that all consumptions are recorded per smaller zones in order to pinpoint illegal usages.

Adoption of the TOC originates from the below benefits:

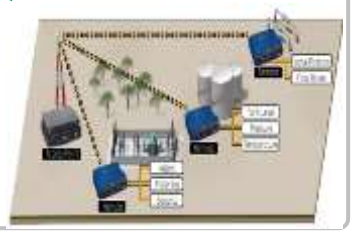
- Decreased downtime via improved system security, planning, tuning and utilization
- Increased lifecycle from the ability to better leverage existing technology investments
- Increased revenue
- Better Government / Citizens relations
- Better future planning based on accurate and live data.
- Better use of employees and limited resources using live fleet management
- Decrease in unknown loses in the electrical and water networks
- Enhanced understanding of the integrated automation environment with real time system insight, alarms and trending

PROCESS CONTROL & TELECOMMUNICATION

MACRO VIEW OF THE CURRENT AND FUTURE PLAN FOR WATER/ SEWER AND ELECTRICAL SUBSTATIONS SYSTEMS MANAGEMENT STRATEGY

TECHNICAL OPERATIONAL

On Site Hardware



IED Integration, Data Collection, Monitoring & Control

Moscad/SSE/Elpro RTU's , Automoto, TSA Controllers & other Telemetry Equipment

Communication

Data Integrity
Secure & reliable connectivity

Versatile and Multiple Communication mediums

User Access Authorization & Authentication

GE MDS Radio & Remote Client Access

Control Center

Data Analysis & Storage
Turn data into information

Application Management

Data Management

Customer Application Hosting

Customer Service & Call Center

Adroit SCADA & Data Storage

Conclusions

Diagnostic Assessment
Identify problem causes; make predictions

Visualization & Reporting Software

Alarm Conditions

Preventative Maintenance

Adroit Alarm Management, MIT & SCADA Intelligence

Action

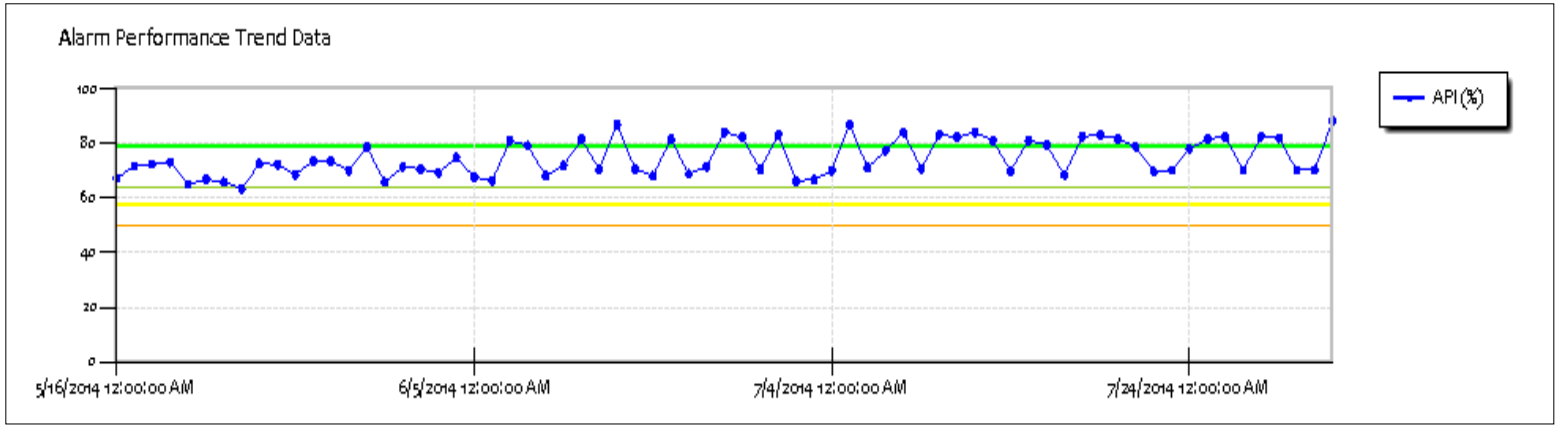
TOC
Management

Mobile Dispatch Service

Business Operational Tasks

Work Flow & Equipment Life Cycle Management

Alarm System Performance for – uMLATHUZE MUNICIPALITY (Water)



ALARM SYSTEM PERFORMANCE DASHBOARD

The Alarm System Performance dashboard measures the performance of an alarm system in terms of operator manageability of the system

Report Components and Measures

- Represents the average number of alarms per hour for the selected reporting period (Represents the average number of alarms per hour for the selected reporting period)
- Burst Rate (maximum alarm rate) (Represents the largest number of alarms that operators need to deal with over a 10 minute period, expressed in alarm per hour)

Alarm Performance Indicator

Indication on how your alarm system is performing relative to the universal alarm system performance levels identified by DC Campbell Brown.
This metric is a combination of the Average Alarm Rate and the Burst Rate KPI's.

- Percent Upset (This indicates how often an alarm system is in a state of distress and indicates the percentage of hours in the reported period in which more than 30 alarms occur)
- Operator Performance (This indicates how well your operators are able to individually attend to each incident.)

Total Incidents

- This shows how many incidents the operators have had to deal with for the specified filters.

Average Standing Alarm

- This provides a simple indication of how well your operators are dealing with the incoming incidents at a specific point every hour, by providing a snap-shot of how many alarms are active at any given time.

Stale Alarms

- This shows the number of incidents that have been active for more than 24 hours, which typically are caused by an incorrect alarm configuration

Alarm Performance Trend Chart

- Illustrates how performance level has changed during the specified time period.

Status Indicators

A status indictor will indicate whether a KPI is:

- Better than defined set point or
- Worse than the defined set point

ENERGY SAVINGS BENCHMARKING

Process Control Systems Areas of Responsibility		Backlogs and risk identification		Replacement Plan		Replacement Plan		Replacement Plan		Replacement Plan		Replacement Plan	
Status of measures taken to optimize energy use:		**Current Backlogs**	**Installed**	**Backlogs 2014**	**TO BE Installed**	**Backlogs 2015**	**To be Installed**	**Backlogs 2016**	**To be Installed**	**Backlogs 2017**	**To be Installed**	**Backlogs 2018**	**Total Projection**
Pump stations for Sewer/Water	**Pump Management**	57	2	11	13	12	25	11	36	13	49	10	59
Traffic Signals (Retrofitting)	**Retrofitting**	84	84	0	84	0	84	0	84	0	84	84	84
	Controllers	86	41	45	86	0	86	0	86	0	86	0	86
Street lights (LED Control)	**Street Light Tele management System**	17000	0	3400	3400	3400	6800	3400	10200	3400	13600	3400	17000
Status of Replacement		**Yes/No**		**Yes/No**		**Yes/No**		**Yes/No**		**Yes/No**		**Yes/No**	
Pump stations for Sewer/Water		Yes		No		No		No		No		No	
Traffic Signals (Retrofitting)		Yes		Yes		No		No		No		No	
Street lights (LED Control)		Yes		No		No		No		No		No	

CHAPTER 5

FINANCIAL PERFORMANCE 2013/2014

Strategic priority: Sound Financial Management both departmentally and throughout the Municipality

1. FINANCIAL OVERVIEW

The review sets out to highlight the Municipality's performance for the past year. Full details appear in the audited Annual Financial Statements. This is the fifth financial year for the Chief Financial Officer Mr M Kunene, who took the helm when he joined the Municipality in the middle of the economic meltdown. The successful implementation of the strategic financial reforms has seen the municipality become financially viable and sustainable. National Treasury through their annual assessment of the budget has found the municipal budget to be funded, credible and sustainable for two consecutive years. This achievement has been a team effort from all within the finance department.

2. DIVISIONS WITHIN THE DEPARTMENT

The following are the divisions within the finance department under the control of the CFO:

- Administration and Strategic Planning
- Financial Support, Budget Process Management, Budget Reporting, and Expenditure Management
- Financial Accounting, Reporting and Assets Management
- Creditors, Loans, Investments and Cash Management
- Supply Chain Management
- Income Billing Management and Reporting
- Customer Relations Management & Indigent Support

3. OVERVIEW OF THE MUNICIPALITY'S FINANCIAL RESULTS

The steady progress made to date evidenced by a better cash coverage ratio and an increased ability of the municipality to contribute towards its own capital projects have been the critical milestones of the municipality. This however has unfortunately been overshadowed by slow implementation of the capital budget hence the overall impact of a healthier state of finances has not been fully exploited.

Additional efforts and emphasis has been placed on the service delivery implementation plans (SDBIP) with a view of having a single source document for planning supply chain management issues as well as tracking budget implementation.

The financial performance of the municipality has been accurately forecasted with marginal deviation to the operational budget when comparing actual results to the budget. The inability to make significant improvements to the capital expenditure performance of 2012/2013 financial

year is a glaring unwanted failure that requires self-criticism and truthful acknowledgement of the capacity of the leadership within the organisation. This is a team effort which should not be a finger pointing exercise but should be a management process of weekly monitoring of planned activities against what has been achieved. The evaluation of the currently administrative functions of supply chain and project management units will be implementing actions plans arising for the self-assessment. The cascading of performance information to all management levels with the organisation is another initiative that will bring accountability and ensure that departmental managers ability to plan, organise control and lead is evaluated at period intervals hence allowing for early detection of areas of weakness.

4. EXECUTIVE SUMMARY OF KEY FINANCIAL ACHIVEMENTS FOR THE YEAR UNDER REVIEW

4.1 Sound Financial Management

The leadership of the CFO together with immediate management has now completed a five year financial plan which includes amongst others an organization structure with specialized divisions in internal and external service delivery and financial management support for the Municipality as a whole. The strategy has been to be:

- Clear with the priorities or focus areas of attention for the department therefore eliminating any possible confusion of the future direction of the department.
- Ensure that the top management within the department are effective
- The level of leadership within the department sets the tone and are exemplary of the ethos that is expected from employees
- Communication is enhanced such that even thou each unit is specializing information sharing is the culture so that accounting standards are debated and thus learning takes place
- The development of staff and monthly departmental meetings and contract management is done.

Evidence of very good work in progress as at the end of 2013/14 is clearly visible by:

- Maintaining the Clean Audit Finding by the Office of the Auditor General;
- Sound Liquidity Situation;
- Credible and Funded Budgets;
- Cash Backed Reserves, carried over Grant Funds and carried over unspent Borrowings;
- Finance Department Divisions working more in the collective than in silo's;
- Quality of Financial Reporting being amongst the best in the Country;
- Quality of Debt management being the best in the Country;
- Quality of Creditors management being the best in the Country;
- Quality of Inventory management being amongst the best in the Country;
- Quality of Billings being close to faultless with one of the fairest socio/economically structured Tariffs in the Country;
- Selected by National Treasury to pilot the introduction of a costing segment to the Country's public sector Standard Chart of Accounts (SCOA) and successfully completed in 2012/13; and
- Selected by National Treasury to pilot the whole of the SCOA reforms in preparation for Country wide implementation from the 1 July 2017.

4.2 Contribution to our Developmental Obligations

4.2.1 Supply Chain Management Division

- Council approved the amended Supply Chain Management Policy on 27 August 2013. Of significance is Clause 34 which aims to promote local economic development and support Community based Vendors, it will further assist the Operation Sukuma Sakhe (OSS) which is the KwaZulu Natal Provincial Government to address the social ills and poverty alleviation.

- In order to assist in providing experiential learning the unit has accepted ten students to undertake their leaner ship for 18 months from uMfolozi FET Collage through the MOU between the Municipality and uMfolozi FET College and SETA.

4.2.2 Income Division

- Providing the lowest priced basket of services to all our Consumers with one of the widest range of free basic services for the poor and indigent residents of our Municipality, in the Country;
- Providing “Consumer Specific” indigent support to parentless households and to destitute households;
- The launch of e-Mhlathuze which is a payment portal to make access to account statements easier and more convenient for rate payers.
- The traditional area customer sms statement option to mitigate the postage shortcomings
- Continued customer focused service
- The cost of electricity from third party vendors is the same as procuring electricity at the municipal offices.
- The CRM unit has initiated R 40 emergency purchase prior to a person being blocked this prevent customers from being sent away empty handed.

4.2.3 Expenditure Division

- As part of the Municipality’s developmental commitment, six Financial Management Interns were in the program.

  Rotations as well as Personal Development Plans were developed for every one of them. The progress with this program is very good, especially in the absence of other institutional platforms providing a suitable stepping-stone for aspirant local government financial managers.

- Providing cash flow relief for our SMME vendors by paying invoices within 7days;
- The signing of session agreements with suppliers to assist SMME’s to receive there materials on time.

Financial support, budget process management and budget reporting

Managing the budget is an on-going task. The process of planning to approval of each MTREF (Medium Term Revenue and Expenditure Framework) is however a ten month process commencing in August of each year with the approval of the Budget process plan and timetable, which sets out the deadlines required to be met by the administration and Council as per the Municipal Finance Management Act, 2003 and ends at completion of the financial year.

The 2014/2015 (MTREF) was tabled before Council on 27 March 2014. Thereafter a 6-week budget participation process was undertaken with cluster meetings at various locations. Attendance by the community at these meetings is improving and the understanding of the municipal process by the community is also encouraging to note.

Following the budget participation process any amendments that have been identified by the community are incorporated into the Final 2014/15 Budget and Medium Term Revenue and expenditure Framework (MTREF). Council adopted the 2012/2013 MTREF on the 27 May 2014.

In light of the endeavour by National Treasury to ensure that municipalities prepare a budget document that provides concise and understandable financial and non-financial information which will ensure that informed decisions are made to promote effective financial management and service delivery. By ensuring, that the allocation of financial resources is aligned to service delivery targets it will be clear what services are being promised when budgets are approved.

National Treasury decided to create a template called “Batho Pele City” as a guide for municipal officials responsible to produce their real municipal budget documents.

The aim of the Dummy Budget Guide is to provide more detailed guidance on the format and content of a municipal budget so as to ensure full compliance with both the letter and the spirit of Schedule A of the Municipal Budget and Reporting Regulations. The Dummy Budget is intended to be a template that municipal officials can use as a basis and guide for producing their own municipality’s budget documents.

Therefore National Treasury fully intends that officials copy the format and be guided by the explanations, the tables, graphs and figures of the Dummy Budget.

In light of the above, Council’s Tabled and Adopted Budget report was prepared in line with the template provided by National Treasury.

Besides Budget management this section is also responsible for all monthly, quarterly and annual budget reporting in terms of the Municipal Budget and Reporting Regulations. This is a continuous process that ensures that the municipality is compliant with the relevant legislation.

Another area of responsibility is expenditure control, which involves the preparation of various reports as a support department in order to assist the rest of organisation with expenditure management.

During the past few financial years greater emphasis has been placed on Activity Job Costing by tightening the expenditure controls over individual jobs.

One of the areas that has made a difference is the splitting of the repairs and maintenance budgets into planned and unplanned maintenance. This has contributed to greater controls in ensuring that the maintenance budget is managed.

On a monthly basis, a selection of line items are analysed for abnormalities. Repairs and maintenance are analysed in detail and each job number is split into material, labour and transport. These abnormalities and the job numbers are forwarded to the respective departments for comments and action thereon.

Financial support section also includes payroll administration. The payroll administration section ensures that 2000 employees (including 60 councillors) are paid their monthly salaries and allowances timeously and accurately. In order to achieve this strict deadlines are required to be met.

SARS is placing a greater burden of responsibility on employers by making employers responsible to submit their PAYE reconciliations bi-annually. This ensures that the Annual PAYE reconciliation is submitted within 60 days after the end of the tax year.

Financial accounting, reporting & asset management

The functions of this section include ensuring that the Annual Financial Statements are completed and timeously submitted to the Auditor General for auditing purposes and that the Municipality has GRAP compliance Financial Assets Register.

IGRAP on traffic fines was effective from the 1 July 2013 and the municipality has successfully implemented the standard.

Council strives to ensure that the financial assets register is GRAP compliant and that all GRAP standards related to assets have been taken into account during the preparation of Annual Financial Statements.

Expenditure management

Greater emphasis is being placed on maintaining a healthy and positive relationship with Councils suppliers.

Stricter controls are being implemented in the payment/procurement process between Municipal user departments and suppliers in ensuring Supply Chain Management processes are followed.

The section also ensures that available Municipal funds are managed on a daily basis. Council has only short term funds available, hence are invested likewise accordingly. The balance of funds invested as at 30 June 2014 was R405 million (2013 – R243 Million). This is a great improvement in comparison to prior years.

SUPPLY CHAIN MANAGEMENT

Statutory reporting & compliance

Monthly reports have been submitted in respect of procurement of goods and services in terms of each required regulation of the Supply Chain Management Policy of the Council.

Training of all bid committee members on their roles and responsibilities was done by Provincial Treasury. Training on oversight role of Council was conducted with Councillors by Provincial Treasury.

APPLICATION OF THE PREFERENTIAL PROCUREMENT REGULATIONS /POLICY

The Preferential Procurement Policy is applied for all procurement above R30 000 and R 164 544 was spent in respect of Preferential Premiums.

CONTROLLING EXPENDITURE

The Supply Chain Management Unity (SCMU) scrutinizes all Requisitions for material and verifies that the correct Budget as per the SDBIP is utilized for the procurement of materials and services. It will be noticed that compared to previous years, the value of orders placed by the Supply Chain Management Unit has increased substantially which indicates growth in the orders processed by SCMU.

- 2009/2010 total transactions: R104 221 294.00
- 2010/2011 total transactions: R166 969 064.00
- 2011/2012 total transactions: R256 852 052.24
- 2012/2013 total transactions: R435 584 919.73 and
- 2013/2014 total transactions R 878 899 965.76

MATERIALS MANAGEMENT

Total discrepancies for 2013/2014 were as follows:

- **Shortages** – R 8 739.46 (here the major component was attributable to fuel, which are subject to various environmental factors), thus this discrepancy was not due to maladministration.
- **Surpluses** – R 10 602.43

The above figures, measured in the context of total value of orders managed by the SCMU, underpin the good management taking place within this unit.

5. STATEMENT OF FINANCIAL PERFORMANCE

Summary

Revenue

The 2013/14 financial performance has seen the municipality reporting a Net operating surplus after five years of successive deficits from the 2010/11 financial year. This comes at a time when the pricing risk strategy of the municipality has been fully implemented. The gradual increase tariffs have allowed for the revenue streams to be more aligned when the municipal basket of services are compared to other secondary cities. The universal approach to household affordability ensures that the tiered tariffs which cater for the poor and indigent are addressing the societal income gaps that exist.

The Rates base of the City has increased by R 40 million which is 16 per cent year on year comparison. The value recognised for Fines in rand value has increased due to the effective date for IGRAP 1. National and provincial allocations have increased by R 104,085 million while this still only represents 14 percent of the City sources of revenue. What is of key note this year is the public contribution for the developments that are taking place within the city namely John Ross interchange and the IDZ. A total of R 61, 335 million has been received as a form of public contributions and it is reassuring that the City is still able to attract development.

The revenue from exchange has grown by 13.98 per cent on year on year comparison. This has been primarily due to services charges growth and interest from external investments arising from a better cash position.

The City reported a net operating surplus of 209,356 million (deficit 2012: 51,419 million) against a budgeted surplus of R 102,039 million.

Despite the massive investments already made, more funding is still required on the asset renewal and replacement programme and presently the demand for which continues to outstrip the City's supply resources.

Expenditure

The main expenditure items are employee costs and bulk purchases. Collectively this items account for R 1,532 billion which is 67 per cent of the total expenditure budget of R 2,284 billion.

Repairs and maintenance expenditure increased by R 7, 2 million; there is a 5.25 per cent variance to the budgeted expenditure for repairs and maintenance. Debt impairment has been increased to cater for the levels of collection anticipated and the adjustment has been more than budgeted.

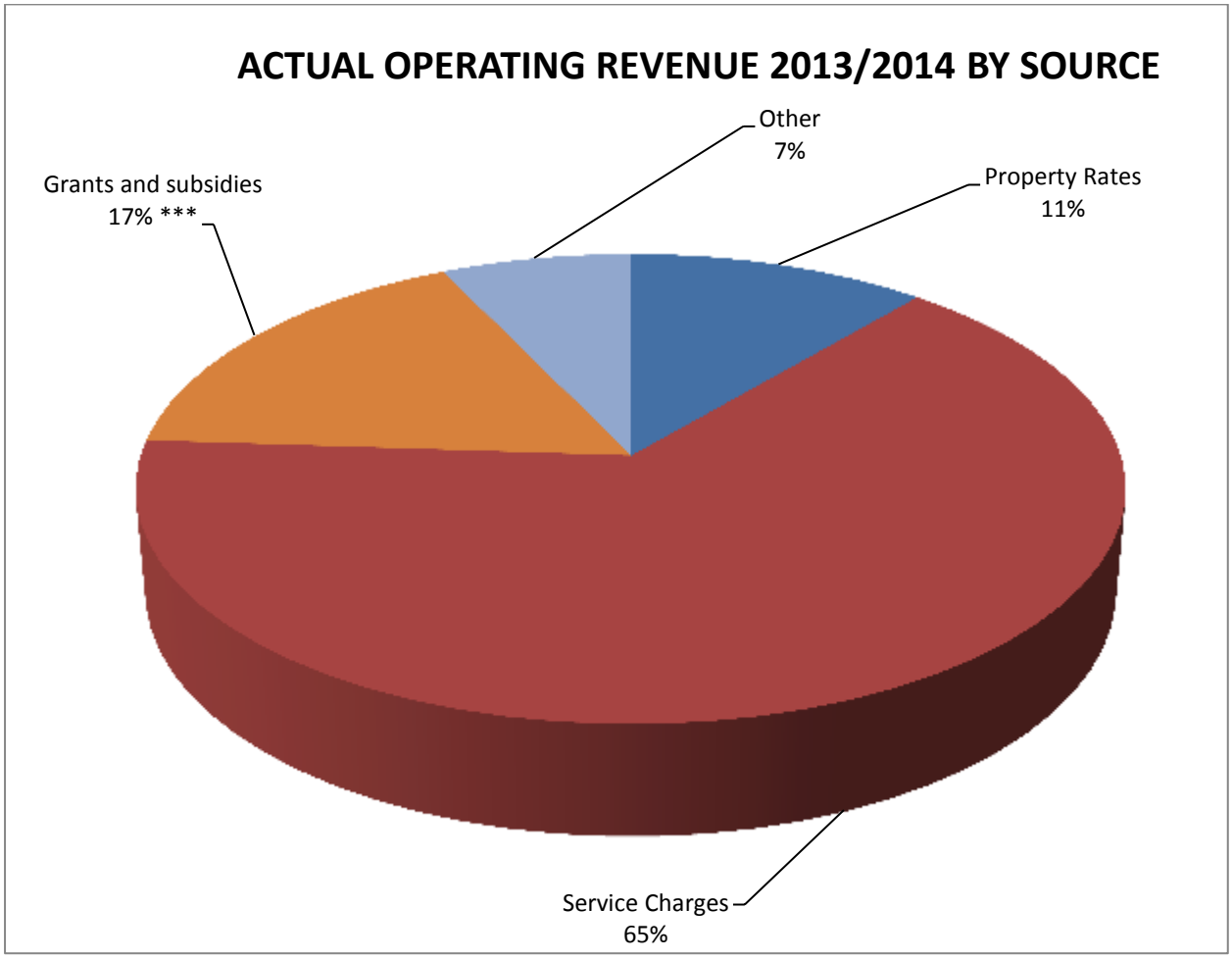
The overall summarized operating results for the Municipality in comparison to the approved budget are shown below. The statement of financial performance reflects a summary of income and expenditure.

ACTUAL VERSUS BUDGET R'000	2014 ACTUAL R'000	2014 BUDGET R'000	2013 ACTUAL R'000	2013 BUDGET R'000	GROWTH % 2013	GROWTH % 2014
Net Operating Surplus/(Deficit)	**209 356**	**247 705**	**(51 421)**	**(71 339)**	72.1%	84.5%
Operating Revenue	**2 494 312**	**2 421 504**	**2 040 655**	**1 985 969**	102.8%	103.0%
Property Rates and Service Charges	1 897 405	1 874 534	1 609 427	1 603 425	100.4%	101.2%
Grants and Public Contributions	418 951	479 646	253 773	314 435	80.7%	87.3%
Other	177 956	67 324	177 455	68 109	260.5%	264.3%
Operating Expenditure	**2 284 956**	**2 173 799**	**2 092 076**	**2 057 308**	101.7%	105.1%
Employee Benefits	480 990	499 490	437 126	449 751	97.2%	96.3%
Finance Costs and Depreciation	306 064	218 256	425 301	374 659	113.5%	140.2%
Bulk Purchases	1 051 626	1 057 967	937 247	914 223	102.5%	99.4%
Other	446 276	398 086	292 402	318 675	91.8%	112.1%

OPERATING REVENUE

The major operating revenue streams that supported the Municipality's programmes and activities were:

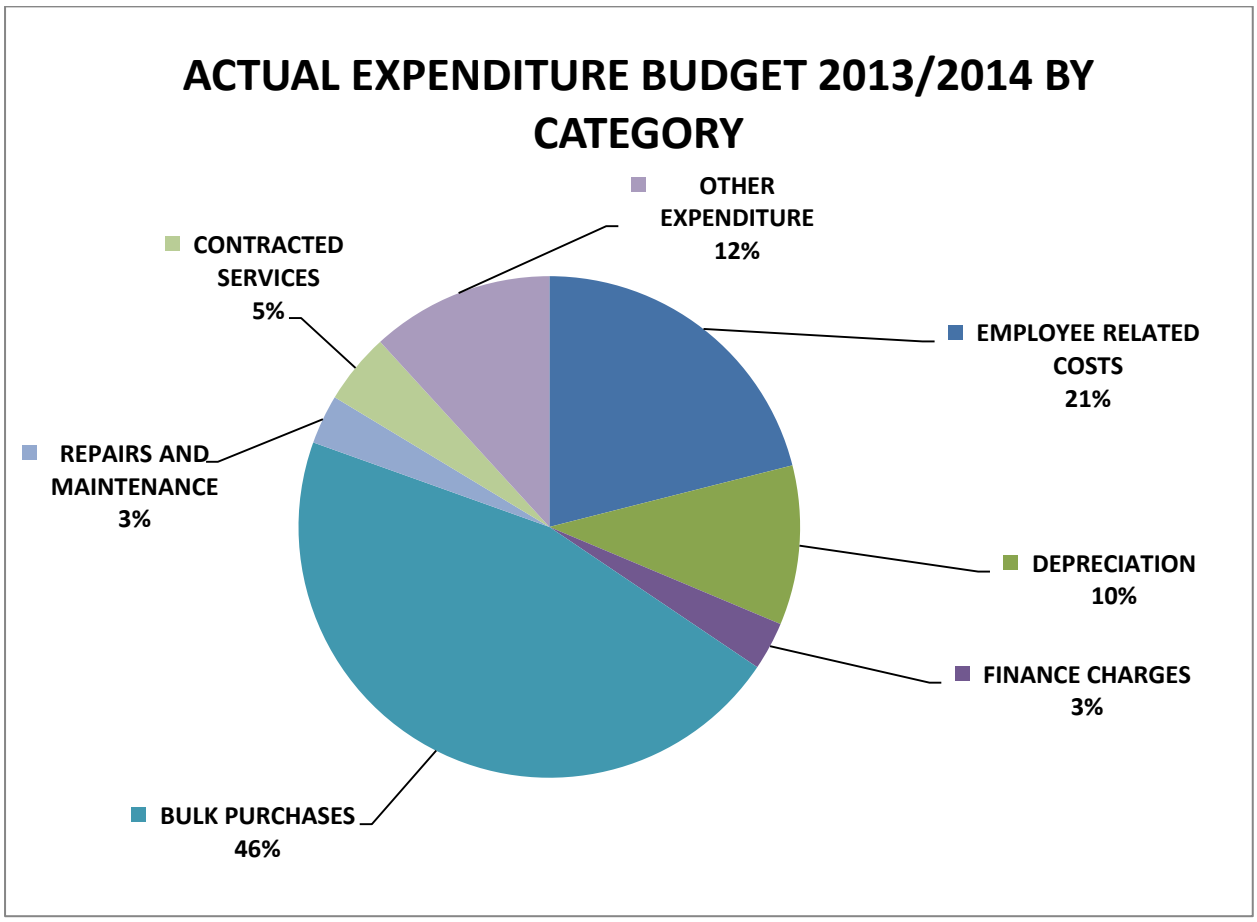
- Property Rates
- Services charges which are made up of
    - Electricity sales;
    - Water sales;
    - Wastewater management(sewage and sanitation); and
- Government operating grants
- Other



*** Included in the reported grants and subsidies are capital grants of R 109 220 813

OPERATING EXPENDITURE

The graph below indicates the main categories of expenditure for the year under review. The cash flow recovery plan put forward to council by the finance department supported by the entire municipal administration has managed to yield good results in the control and containment of costs. The reduction of finance costs was as a result of council not taking up any further loan but reducing the existing debt that the municipality has.



6. SPENDING AGAINST CAPITAL BUDGET

Capital expenditure incurred during the year amounted to R255 million which represents 54% (2013: 49%) of the approved capital budget. It is clear that there has been an increase in capital spending. Below is the funding mix of capital expenditure.

Capital Funding R'000	2014	2013	2012	2011
Own Funds	45 246	25 018	11 833	17 869
Loan Funding	70 198	33 829	22 907	17 195
Grant Funding	139 273	56 190	52 303	51 112
Total Capex	**254 717**	**115 037**	**87 043**	**86 176**
% Spent	**54%**	**49%**	**49%**	**51%**

Capital expenditure per service

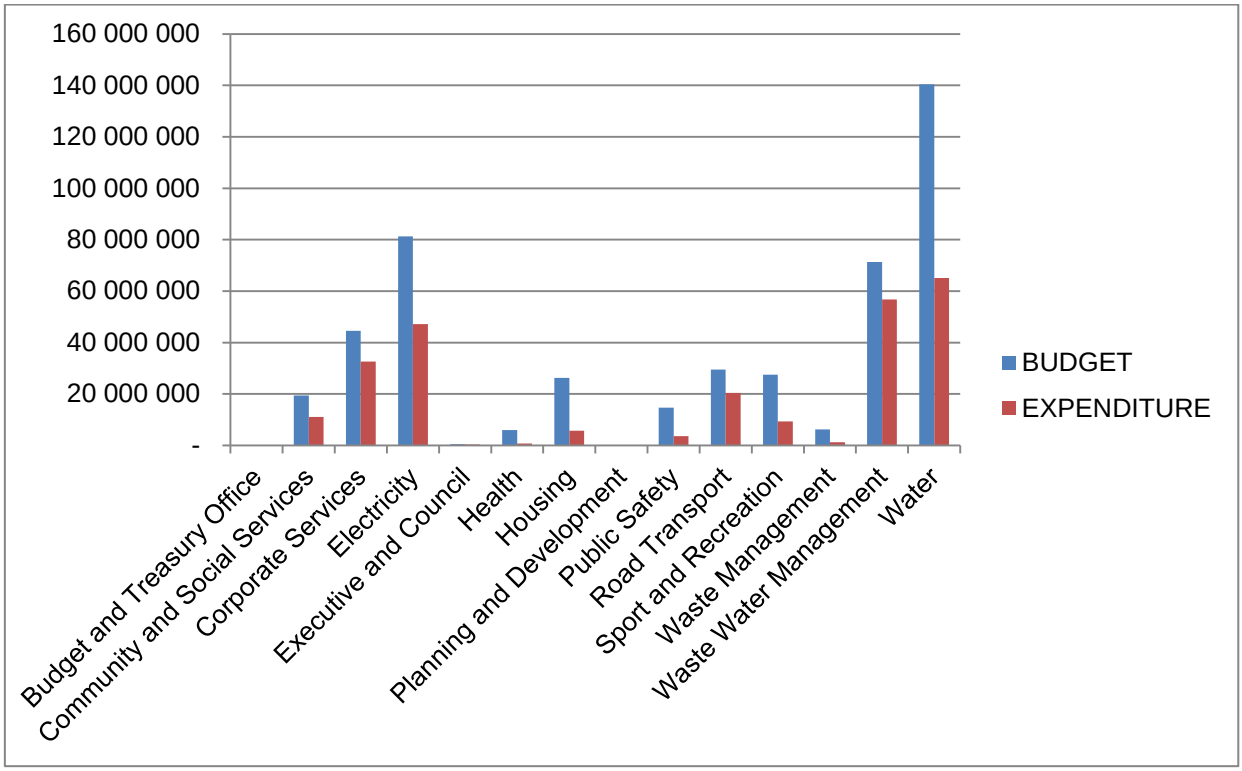
2014

FUNCTION	BUDGET	EXPENDITURE	VARIANCE	VARIANCE %
Budget and Treasury Office	104 000	132 000	28 000	27%
Community and Social Services	19 493 000	11 108 600	(8 384 400)	-43%
Corporate Services	44 625 000	32 591 000	(12 034 000)	-27%
Electricity	81 351 000	47 249 500	(34 101 500)	-42%
Executive and Council	450 000	352 000	(98 000)	-22%
Health	5 932 000	773 000	(5 159 000)	-87%
Housing	26 244 000	5 757 000	(20 487 000)	-78%
Planning and Development	112 000	86 000	(26 000)	-23%
Public Safety	14 742 000	3 604 200	(11 137 800)	-76%
Road Transport	29 511 000	20 479 800	(9 031 200)	-31%
Sport and Recreation	27 469 000	9 301 000	(18 168 000)	-66%
Waste Management	6 203 000	1 307 000	(4 896 000)	-79%
Waste Water Management	71 354 000	56 824 700	(14 529 300)	-20%
Water	140 393 000	65 150 900	(75 242 100)	-54%
TOTAL	**467 983 000**	**254 716 700**	**(213 266 300)**	

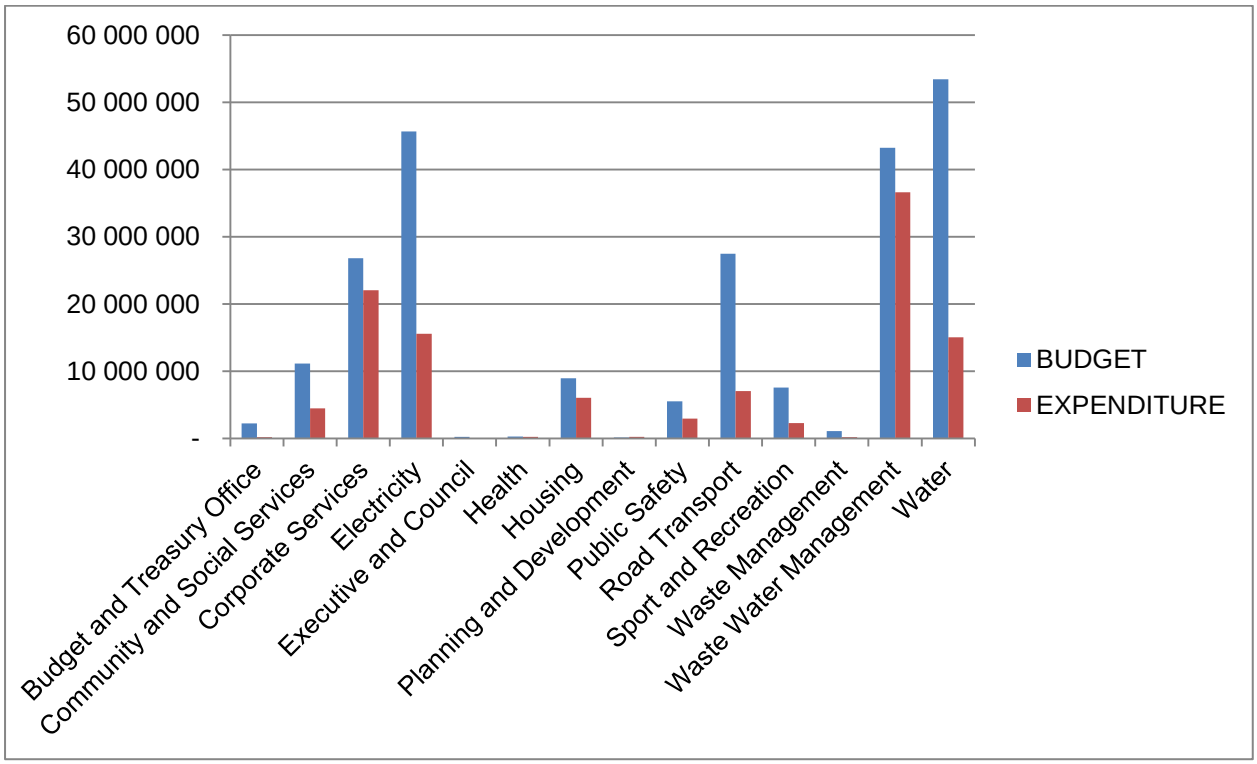
2013

FUNCTION	BUDGET	EXPENDITURE	VARIANCE	VARIANCE %
Budget and Treasury Office	2 202 000	196 000	(2 006 000)	-91%
Community and Social Services	11 116 000	4 470 000	(6 646 000)	-60%
Corporate Services	26 792 000	22 040 000	(4 752 000)	-18%
Electricity	45 665 000	15 544 000	(30 121 000)	-66%
Executive and Council	202 000	-	(202 000)	-100%
Health	263 000	225 000	(38 000)	-14%
Housing	8 925 000	6 046 000	(2 879 000)	-32%
Planning and Development	136 000	219 000	83 000	61%
Public Safety	5 491 000	2 920 000	(2 571 000)	-47%
Road Transport	27 480 000	7 028 000	(20 452 000)	-74%
Sport and Recreation	7 564 000	2 276 000	(5 288 000)	-70%
Waste Management	1 070 000	183 000	(887 000)	-83%
Waste Water Management	43 225 000	36 584 000	(6 641 000)	-15%
Water	53 415 000	15 048 000	(38 367 000)	-72%
TOTAL	**233 546 000**	**115 037 000**	**(118 509 000)**	

Graph- Capital Expenditure versus Budget for 2013



Graph- Capital Expenditure versus Budget for 2012



7. CASH FLOW MANAGEMENT AND INVESTMENT

The following information shows the Municipality's cash flows for the year under review.

	2014 R' million	2013 R' million
Cash from operating activities	417,363	294,109
Cash from investing activities	(250,622)	(112,708)
Cash from financing activities	(5,007)	(95,839)

Cash flow from operating activities

The Municipality's sources of liquidity are cash flow from operating activities and borrowings. Cash flow from operating activities increased from R294 million to R 417 million, primarily due to an increase in cash receipts from ratepayers**.**

Cash flow from investing activities

Cash flow from investing activities relates primarily to investments in capital expenditure and short term investments of longer than three months.

Cash flow from financing activities

Cash flow from financing activities is primarily the repayment of the loans.

8. OTHER FINANCIAL MATTERS

8.1 ANNUAL TARIFFS

ANNUAL TARIFF INCREASES						
Year	Rates	Water	Electricity	Refuse	Sewer	CPI
2004	10.00 %	13.5 %	11 %	8 %	10 %	5.1 %
2005	7.50 %	13 %	3.8 %	7.5 %	7.7 %	4.2 %
2006	8.00 %	0 %	4 %	0 %	0 %	3.5 %
2007	6.00 %	6.5 %	5.9 %	6 %	4.1 %	6.6 %
2008	8.00%	10.00%	28.00%	6.00%	6.00%	14.00%
2009	13,6%	5,00%	20,00%	7,00%	5,00%	11,5%
2010	12,8%	11,64%	31,00%	9,8%	9,8%	4,2%
2011	12,5%	12.47%	Separate Table Below	13%	12.5%	4.8%
2012	13.50%	13.00%	Separate Table Below	13.00%	13.00%	5.00%
2013	-4,45%	9.5%	Separate Table Below	Table B Below	7.5%	6.3%

DEBTOR ACCOUNTS

Electricity and water meters readings are performed, processed and posted monthly to ensure that all account holders receive accurate accounts and that a high payment rate is maintained.The collection of monies has been very difficult. The department however still obtained an average debt collection ratio of **100.93%,** despite these difficult times.

Outstanding consumer debtors as at 30 June 2014 were R 316 million (2013: R 262 million). The total provision for impairment increased from R23 million to R 86 million. The amounts included in the consumer debtor balances considered to be doubtful are covered by a provision for impairment of R86 million, which represents 27, 2% of the total outstanding consumer debtors. The major shift of the provision moving from 8.78% of debtors is the provision for traffic fines which is R 67, 9 million of the R 86 million presently provided for. This is as a result of the implementation of IGRAP1.

The overall payment rate for the past seven years is illustrated below:

Year	Payment Rate
2007/2008	98.74 %
2008/2009	98.56 %
2009/2010	98.67 %
2010/2011	100.11 %
2011/2012	99.49 %
2012/2013	99.17%
2013/2014	100.93%

NON-COMPLIANCE WITH MFMA

There municipality complied with all the provision of the Municipal Finance Management Act.

UNAUTHORISED, IRREGULAR, FRUITLESS AND WASTEFUL EXPENDITURE

No unauthorized, irregular, fruitless and wasteful expenditure was incurred by the municipality during the year.

EXPRESSION OF APPRECIATION

I wish to convey my sincere appreciation to the Mayor, the Executive Committee, members of the Finance portfolio committee, the audit committee, the Municipal Manager and the Executive Management team for their support and cooperation received during the year.

A special word of gratitude to all financial staff, and to the staff of the auditor general for conducting the external audit the manner in which they did, and for their assistance, support and cooperation during the year.

Finally, a further word of thanks to everybody for the months of hard work, sacrifices and concerted effort during the year to enable the Municipality to finalize the financial reporting with special emphasis on the financial statements which culminated to a clean audit report

APPENDICES

APPENDIX A: COUNCILLORS,COMMITTEE ALLOCATION AND COUNCIL ATTENDANCE

MAYOR
Mbatha, Elphas Felokwakhe
ANC (Exco)

DEPUTY MAYOR
Gumbi, Ntombizethu Vera
ANC (Exco)

SPEAKER
Mnqayi, Mvuseni Samuel
ANC

CHIEF WHIP
Lourens, Manie
ANC

Ward Councillors

Frederik Bosman
DA (Ward 1)

Alen Viljoen
DA (Ward 2)

David Merryweather
DA (Ward 3)

Nicholas Madondo
ANC (Ward 4)

Shadrack Zulu
IFP (Ward 5)

Dumisane Ndimande
ANC (Ward 6)

Willie Radebe
ANC (Ward 7)

Sakhile Xaba
ANC (Ward 8)

Erwin Palmer
ANC (Ward 9)

Emmanuel Dube
ANC (Ward 10)

Eric Mhlongo
ANC (Ward 11)

John Cele
ANC (Ward 2)

Cyprian Kweyama
Independent (Ward 13)

Mduduzi Khumalo
ANC (Ward 14)

Samuel Nsibande
Independent (Ward 15)

Nonhlanhla Cele
ANC (Ward 16)

Gugulethu Nkosi
ANC (Ward 17)

Sipho Mthujane
ANC (Ward 18)

Lindi Danisa
ANC (Ward 19)

Babhekile Mthembu
ANC (Ward 20)

Musawenkosi Mbokazi
ANC (Ward 21, Exco)

Mfundo Mthenjana
ANC (Ward 22)

André de Lange
DA (Ward 23)

Gertrude Mkize
ANC (Ward 24)

Bhekinkosi Mthiyane
ANC (Ward 25)

Ahamed Shaik Dawood
ANC (Ward 26)

Lindiwe Shangase
ANC (Ward 27)

Phikelakhe Ntanzi
ANC (Ward 28)

Prince Mathenjwa
ANC (Ward 29)

David Xulu
ANC (Ward 30)

Proportional Representatives

Ntombizethu Vera Gumbi
ANC (Exco)

Elphas Mbatha
ANC

Alice Mthembu
ANC (Exco)

Sukanini Hlope
ANC

Mvuseni Mnqayi
ANC (Speaker)

Nontokozo Mbanjwa
ANC

Manie Lourens
ANC

Silondile Mkhize
ANC (Exco)

Purity Mbatha
ANC

Kevin Sukreben
ANC

JB Mkhabela
ANC

Meera Sookroo
ANC (Exco)

Dumisane Nxumalo
IFP (Exco)

AP Mngomezulu
IFP

Mbuyiseni Khoza
IFP

Nkosinathi Thusi
IFP

Madina Mkhize
IFP

Beena Simmadhri
IFP (Exco)

Mandla Makatini
IFP

Khetomusha Mthethwa
IFP

Louis Fourie
DA (Exco)

Khonzi Ndlovu
DA

Patience Kwela
NFP (Exco)

Thanduxolo Ngcobo
NFP

Njabulo Mlaba
NFP

Clement Mavimbela
NFP

LS Sabelo
NFP

Siphiwe Khoza
NFP

Raphael Zikhali
ANC

CM Botha
IFP

JULY 2013															
Councillor		FS	CORP	LLF	ITS	COMS	EXCO	CD	ITS	COM	FS	CORP	CD	SEXCO	SUMC
Date		9	10		11	11	16	17	25	25	23	24	31	31	31
C M Botha	IFP			NO MEETING				P			NO MEETING		P		A
J N Cele	ANC		p									A			P
N R Cele	ANC		p									P			A
L M Danisa	ANC		p									P			A
A S Dawood	ANC	P													P
B J de Lange	DA	P										A			P
E J B Dube	ANC						OBS	P					P		A
L C M Fourie	DA	OBS				P	P			A				A	A
N V Gumbi	ANC		p				P			OBS		P		P	P
S N Hlophe	ANC							P					P		P
M Khoza	IFP					OBS			OBS	OBS					P
S P Khoza	NFP							A					P		P
M R Khumalo	ANC					P	OBS			NA					A
P N Kwela	NFP	P					A	A						P	P
C S Kweyama	INDEP							A				OBS	P		P
M Lourens	ANC		A									P			P
N M Madondo	ANC				A				A						P
M T Makatini	IFP				P				P						P
P M Mathenjwa	ANC				P				P						P
C P Mavimbela	NFP														P
N C Mbanjwa	ANC	P												OBS	P
E F Mbatha	ANC	P					P							P	P
P T Mbatha	ANC	A													A
M M Mbokazi	ANC				P		P		P			OBS		P	P
D J Merryweather	DA		p			OBS	OBS	OBS				P	OBS	OBS	P
M E Mhlongo	ANC				A				P					OBS	P
J B Mkhabela	ANC				A				P					OBS	P
M R Mkhize	IFP	P													P
S G Mkhize	ANC				A		P		P	OBS				P	P
G M Mkize	ANC					P				P				OBS	P
N Mlaba	NFP					A				P					A
A P Mngomezulu	IFP	P													P
M S Mnqayi	ANC	OBS	A				OBS		OBS	OBS		P		OBS	P
A H Mthembu	ANC					P	P			P				A	A
B C Mthembu	ANC							P					P		P
M W Mthenjana	ANC	A													A
K N Mthethwa	IFP					P				P					P
Councillor		FS	CORP	LLF	ITS	COMS	EXCO	CD	ITS	COMS	FS	CORP	CD	EXCO	COUNCIL
Date		9			11	11	16				23	24	31	31	31
B T Mthiyane	ANC			NO MEETING				A			NO MEETING		P		P
S S Mthiyane	ANC		A												P
D J Ndimande	ANC					P				P					P
K E Ndlovu	DA					NA	OBS	OBS	OBS	P			OBS	OBS	P
T B Ngcobo	NFP				NA				NA						NA
G A Nkosi	AND					P									A
S M Nsibande	INDEP														P
P M Ntanzi	ANC							P					P		A
D A Nxumalo	IFP	P	p				P			OBS		P		P	P
E A Palmer	ANC					P				P					P
W M Radebe	ANC							P					P		P
L S Sabelo	NFP		A									P			A
L B Shangase	ANC	P													P
S S Simmadhri	IFP		p				P	P				P	A	A	A
M Sookroo	ANC						P	P					P	P	P
K Sukreben	ANC	P													P
N T Thusi	IFP		A			P				P		P			A
A Viljoen	DA							P					P		P
D J Xulu	ANC				P				P						P
S B Xaba	ANC				A				P						P
R M Zikhali	ANC					P				P					P
S H Zulu	IFP				P	OBS			P	OBS					P

Councillor		FS	BL	CS	LLF	BOT	COMS	EXCO	CD	ITS	SCOUN	SCOUN	FS	CS	COMS	EXCO	COUNCIL	CD	PP	ITS	PEF AUDIT
Date		6	6	7	7	8	8	13	14	15	16	20	20	21	22	27	27	28	28	29	29
F G Bosman	DA									P	P	P					P	P		P	
C M Botha	IFP								NA		P	P					P				
J N Cele	ANC										P	P					P		NA		
N R Cele	ANC										A	A					A		A		
L M Danisa	ANC										P	P					P				
A S Dawood	ANC	P									P	P	NA				P				
B J de Lange	DA	P				P					P	P	P				P				
E J B Dube	ANC							OBS	P		P	P				OBS	P		P		
L C M Fourie	DA						P	P		OBS	A	A				P	P	A	A		
N V Gumbi	ANC							P			P	P				P	P		OBS		P
S N Hlophe	ANC					P		OBS	A		P	P					P				
M Khoza	IFP						OBS				P	A					P	OBS			
S P Khoza	NFP								P		P	P					P		P		
M R Khumalo	ANC						P				P	P				OBS	P				
P N Kwela	NFP	P						P	P		P	P	P			P	P				
C S Kweyama	INDEP								P		P	P					A				
M Lourens	ANC	OBS		NO MEETING	SITE MEETING			A			P	P		NO MEETING	SITE MEETING	OBS	P				
N M Madondo	ANC									P	P	P					A	A		A	
M T Makatini	IFP									A	A	P					P	A		A	
P M Mathenjwa	ANC									P	P	P					P	P		P	
C P Mavimbela	NFP										NA	P					P				
N C Mbanjwa	ANC	P						OBS			P	P	NA				A	OBS			
E F Mbatha	ANC	P						P			P	P	A			P	P				P
P T Mbatha	ANC	P									P	A	NA				A				
M M Mbokazi	ANC							P		P	P	P				P	P	P		P	
D J Merryweather	DA							OBS	OBS		P	P				OBS	P		OBS		
M E Mhlongo	ANC							OBS		A	P	P					A	A		A	
J B Mkhabela	ANC									P	P	P					P	P		P	
M R Mkhize	IFP	P									P	P	A			OBS	A				
S G Mkhize	ANC							A		P	P	P				P	A	P		P	
G M Mkize	ANC						P	OBS			P	P					P				
N Mlaba	NFP						NA				NA	P					A		P		
A P Mngomezulu	IFP	A									P	P	P				P		A		
M S Mnqayi	ANC					A		P		OBS	P	P	OBS			A	A		P		
A H Mthembu	ANC						A	P			P	P				P	P		P		
B C Mthembu	ANC								A		P	P					NA		P		
M W Mthenjana	ANC	A									P	P	NA				NA				
K N Mthethwa	IFP						A				A	A					P				
Councillor		**FS**	**BL**	**CS**	**LLF**	**BOT**	**COMS**	**EXCO**	**CD**	**ITS**	**SCOUN**	**SCOUN**	**FS**	**CS**	**COMS**	**EXCO**	**COUNCIL**	**CD**	**PP**	**ITS**	**PEF AUDIT**
Date		**6**	**6**	**7**	**7**	**8**	**8**	**13**	**14**	**15**	**16**	**20**	**20**	**21**	**22**	**27**	**27**	**28**	**28**	**29**	**29**
B T Mthiyane	ANC								A		P	A					A				
S S Mthiyane	ANC										P	P					A				
D J Ndimande	ANC						NA				P	P					P				
K E Ndlovu	DA	OBS					P	OBS			P	A				OBS	P	OBS	OBS		
T B Ngcobo	NFP					A				NA	NA	P					P	A		NA	
G A Nkosi	AND						NA				P	P					P				
S M Nsibande	INDEP										P	P					A		AOBS		
P M Ntanzi	ANC								P		P	P					A				
D A Nxumalo	IFP	P		NO MEETING	SITE MEETING			P			P	P	P	NO MEETING	SITE MEETING	P	P		P		
E A Palmer	ANC						A				P	P					P				
W M Radebe	ANC								P		P	P				OBS	P				
L S Sabelo	NFP										P	P					P				
L B Shangase	ANC	A									P	P	P				A				
S S Simmadhri	IFP							P	P		A	P	OBS			P	P				
M Sookroo	ANC							P	A		P	P				A	A				
K Sukreben	ANC	A									P	P	A				NA				
N T Thusi	IFP						P				P	A					A				
A Viljoen	DA								P		P	P					P				
D J Xulu	ANC									P	P	P					P	P		P	
S B Xaba	ANC									P	P	P					P	P		P	
R M Zikhali	ANC						NA				P	P					P		P		
S H Zulu	IFP									P	P	P					P	P		P	

SEPTEMBER 2013																	
Councillor		**FS**	**SUMC**	**BL**	**CS**	**LLF**	**COMS**	**EXCO**	**CD**	**ITS**	**FS**	**CS**	**COMS**	**EXCO**	**COUNCIL**	**CD**	**ITS**
Date		**3**	**4**		**4**	**11**	**5**	**10**	**11**		**17**	**19**	**19**	**25**	**25**	**25**	**26**
F G Bosman	DA		**P**												**P**		**P**
C M Botha	IFP		**P**						**P**						**P**	**P**	
J N Cele	ANC		**P**		**A**							**P**			**P**		
N R Cele	ANC		**A**									**P**			**A**		
L M Danisa	ANC		**P**		**P**							**A**			**P**		
A S Dawood	ANC	**A**	**P**												**P**		
B J de Lange	DA	**P**	**P**												**P**		
E J B Dube	ANC		**P**					**OBS**	**P**						**P**	**P**	
L C M Fourie	DA		**A**					**P**					**A**	**P**	**P**		**OBS**
N V Gumbi	ANC		**P**		**P**	**P**		**P**				**P**		**P**	**P**		
S N Hlophe	ANC		**P**					**OBS**	**A**						**P**	**P**	
M Khoza	IFP		**P**												**A**		**OBS**
S P Khoza	NFP		**P**						**P**						**P**	**A**	
M R Khumalo	ANC		**P**										**P**		**P**		
P N Kwela	NFP	**A**	**P**					**P**	**P**					**P**	**P**	**P**	
C S Kweyama	INDEP		**P**						**P**						**P**	**P**	
M Lourens	ANC		**P**	**NO MEETING**	**P**		**NO MEETING**	**AOBS**		**NO MEETING**	**NO MEETING**	**P**		**AOBS**	**P**		
N M Madondo	ANC		**P**												**P**		**P**
M T Makatini	IFP		**A**												**A**		**A**
P M Mathenjwa	ANC		**P**												**P**		**P**
C P Mavimbela	NFP		**P**												**A**		
N C Mbanjwa	ANC	**P**	**P**												**P**		
E F Mbatha	ANC	**P**	**P**					**P**				**OBS**		**P**	**P**		
P T Mbatha	ANC	**P**	**P**												**A**		
M M Mbokazi	ANC	**OBS**	**P**					**P**						**P**	**P**	**OBS**	**A**
D J Merryweather	DA		**P**		**P**	**P**		**OBS**	**OBS**			**P**			**P**	**OBS**	
M E Mhlongo	ANC		**P**												**A**		**P**
J B Mkhabela	ANC		**P**					**OBS**							**A**		**A**
M R Mkhize	IFP	**P**	**P**												**P**		
S G Mkhize	ANC		**A**					**P**						**P**	**P**		**P**
G M Mkize	ANC		**P**										**NA**		**P**		
N Mlaba	NFP		**P**										**NA**		**P**		
A P Mngomezulu	IFP	**P**	**P**												**P**		
M S Mnqayi	ANC		**P**		**A**	**A**		**AOBS**				**P**		**AOBS**	**P**		
A H Mthembu	ANC		**P**					**A**					**P**	**P**	**P**		
B C Mthembu	ANC		**P**						**P**						**P**	**P**	
M W Mthenjana	ANC	**P**	**P**												**P**		
K N Mthethwa	IFP		**P**										**P**		**P**		
Councillor		**FS**	**SUMC**	**BL**	**CS**	**LLF**	**COMS**	**EXCO**	**CD**	**ITS**	**FS**	**CS**	**COMS**	**EXCO**	**COUNCIL**	**CD**	**ITS**
Date			**4**			**11**	**5**					**19**					
B T Mthiyane	ANC		**P**						**P**						**P**	**P**	
S S Mthiyane	ANC		**A**		**A**							**A**			**P**		
D J Ndimande	ANC		**P**										**A**		**P**		
K E Ndlovu	DA	**OBS**	**P**		**OBS**			**OBS**				**OBS**	**P**		**A**		
T B Ngcobo	NFP		**P**												**P**		
G A Nkosi	AND		**P**										**P**		**P**		
S M Nsibande	INDEP		**P**												**A**		
P M Ntanzi	ANC		**P**						**A**						**P**	**P**	
D A Nxumalo	IFP	**P**	**P**	**NO MEETING**	**P**		**NO MEETING**	**P**		**NO MEETING**	**NO MEETING**	**P**		**P**	**P**		
E A Palmer	ANC		**P**										**P**		**P**		
W M Radebe	ANC		**P**						**P**						**P**	**P**	
L S Sabelo	NFP		**P**		**A**	**P**						**P**			**P**		
L B Shangase	ANC	**NA**	**A**												**P**		
S S Simmadhri	IFP		**P**		**A**			**P**	**P**			**P**		**A**	**A**	**A**	
M Sookroo	ANC		**P**					**A**	**P**					**P**	**P**	**P**	
K Sukreben	ANC	**P**	**P**												**P**		
N T Thusi	IFP		**P**		**A**	**A**						**P**	**P**		**A**		
A Viljoen	DA		**A**						**A**						**A**	**A**	
D J Xulu	ANC		**P**												**P**		**A**
S B Xaba	ANC		**P**												**P**		**P**
R M Zikhali	ANC		**P**										**P**		**P**		
S H Zulu	IFP		**P**												**P**		**P**

OCTOBER 2013																					
Councillor		**FS**	**SUM C**	**B L**	**C S**	**LL F**	**COM S**	**EXC O**	**CD**	**ITS**	**FS**	**CS**	**COM S**	**EXC O**	**COUNC IL**	**CD**	**ITS**	**LL F**			
Date		**8**	**17**	**8**	**9**		**10**	**15**	**16**	**17**	**22**	**23**	**24**	**30**	**30**	**30**	**31**	**31**			
F G Bosman	DA		**P**							**P**					**A**		**A**				
C M Botha	IFP		**A**						**P**						**A**	**A**					
J N Cele	ANC		**P**		**P**							**A**			**P**						
N R Cele	ANC		**P**		**A**	N						**P**			**A**						
L M Danisa	ANC		**P**		**P**	O						**P**			**P**						
A S Dawood	ANC	**A**	**P**	**A**							**P**				**A**						
B J de Lange	DA	**P**	**P**			M					**P**				**P**						
E J B Dube	ANC		**P**			E			**P**					**OBS**	**P**	**P**					
L C M Fourie	DA		**P**			E	**A**			**A**			**P**	**P**	**P**		**A**				
N V Gumbi	ANC		**P**		**P**	T		**P**				**A**		**P**	**P**		**OBS**	**P**			
S N Hlophe	ANC		**P**	**A**		I			**A**					**OBS**	**P**	**P**					
M Khoza	IFP		**P**	**P**		N				**OBS**					**P**		**OBS**				
S P Khoza	NFP		**A**			G			**P**						**P**	**P**					
M R Khumalo	ANC		**A**				**A**						**P**	**OBS**	**P**						
P N Kwela	NFP	**P**	**P**					**P**	**P**		**P**			**P**	**A**	**P**					
C S Kweyama	INDEP		**A**						**A**						**P**	**P**					
M Lourens	ANC		**P**		**A**			**A**				**P**		**AOBS**	**P**						
N M Madondo	ANC		**P**	**P**						**P**					**P**		**A**				
M T Makatini	IFP		**P**							**P**					**A**		**A**				
P M Mathenjwa	ANC		**P**												**P**		**P**				
C P Mavimbela	NFP		**A**												**A**						
N C Mbanjwa	ANC	**P**	**P**							**A**	**P**				**A**						
E F Mbatha	ANC	**A**	**P**					**P**			**P**			**P**	**P**						
P T Mbatha	ANC	**P**	**P**								**P**				**P**						
M M Mbokazi	ANC		**P**					**P**		**P**				**P**	**A**	**OB**	**P**				

OCTOBER 2013																					
Councillor		**FS**	**SUM C**	**B L**	**C S**	**LL F**	**COM S**	**EXC O**	**CD**	**ITS**	**FS**	**CS**	**COM S**	**EXC O**	**COUNC IL**	**CD**	**ITS**	**LL F**			
Date		**8**	**17**	**8**	**9**		**10**	**15**	**16**	**17**	**22**	**23**	**24**	**30**	**30**	**30**	**31**	**31**			
																S					
D J Merryweather	DA		A	P	P				A(OBS)	A		P	OBS	OBS	P	OBS		P			
M E Mhlongo	ANC		P	A						P					A		A				
J B Mkhabela	ANC		P							P					P		A				
M R Mkhize	IFP	A	P								A				P						
S G Mkhize	ANC		P	A				A		P				P	P		A				
G M Mkize	ANC		P				P						P		P						
N Mlaba	NFP		A				NA						NA		A						
A P Mngomezulu	IFP	P	A	P							A				P						
M S Mnqayi	ANC		A					A		A		P	OBS	OBS	P		OBS	A			
A H Mthembu	ANC		P				P	A					A	P	P						
B C Mthembu	ANC		P						NA						P	P					
M W Mthenjana	ANC	P	P								P				P						
K N Mthethwa	IFP		P				NA						P		A						
Councillor		**FS**	**SUM C**	**B L**	**C S**	**LL F**	**COM S**	**EXC O**	**CD**	**ITS**	**FS**	**CS**	**COM S**	**EXC O**	**COUNC IL**	**CD**	**ITS**	**LL F**			
Date		**8**			**9**		**10**				**22**	**23**	**24**	**29**	**29**						
B T Mthiyane	ANC		P		P				NA						P	P					
S S Mthiyane	ANC		P									A			A						
D J Ndimande	ANC		A	P			P						P	OBS	P						
K E Ndlovu	DA		P				A					OBS	P	OBS	P	OBS	OBS				
T B Ngcobo	NFP		P	A						P					A		A				
G A Nkosi	AND		P				A						P		P						
S M Nsibande	INDEP		P												P						
P M Ntanzi	ANC		P						P						P	P					
D A Nxumalo	IFP	P	P		A			P			P	P		P	P						

OCTOBER 2013																					
Councillor		**FS**	**SUM C**	**B L**	**C S**	**LL F**	**COM S**	**EXC O**	**CD**	**ITS**	**FS**	**CS**	**COM S**	**EXC O**	**COUNC IL**	**CD**	**ITS**	**LL F**			
Date		**8**	**17**	**8**	**9**		**10**	**15**	**16**	**17**	**22**	**23**	**24**	**30**	**30**	**30**	**31**	**31**			
E A Palmer	ANC		**P**				**P**						**P**		**P**						
W M Radebe	ANC		**P**						**P**						**P**	**P**					
L S Sabelo	NFP		**P**		**P**							**P**			**P**			**P**			
L B Shangase	ANC	**P**	**P**								**NA**				**A**						
S S Simmadhri	IFP	**OBS**	**P**	**A**	**A**			**P**	**P**		**OBS**	**A**		**P**	**A**	**A**					
M Sookroo	ANC		**A**	**P**				**A**	**A**					**A**	**A**	**A**					
K Sukreben	ANC	**A**	**P**								**P**				**P**						
N T Thusi	IFP		**A**		**P**		**A**					**P**	**A**		**P**						
A Viljoen	DA		**A**						**A**						**P**	**P**					
D J Xulu	ANC		**P**							**P**					**P**		**P**				
S B Xaba	ANC		**P**							**P**					**P**		**P**				
R M Zikhali	ANC		**P**				**P**						**P**		**P**						
S H Zulu	IFP		**P**							**P**			**OBS**		**P**		**P**				
Inkosi M M Mkhwanazi															**P**						

NOVEMBER 2013																						
Councillor		**FS**	**BL**	**CS**	**LLF**	**COMS**	**EXCO**	**CD**	**LLF**	**ITS**	**FS**	**PP**	**CS**	**COMS**	**PERF AUDIT**	**AUDIT**	**EXCO**	**COUNCIL**				
Date		**5**	**5**	**6**	**6**	**7**	**12**	**13**	**13**	**14**	**19**	**19**		**21**	**21**	**21**	**26**	**26**				
F G Bosman	DA		NO MEETING		NO MEETING	NO MEETING				**P**	NO MEETING							**A**				
C M Botha	IFP							**A**									**A**	**A**				
J N Cele	ANC			**NA**														**A**				
N R Cele	ANC			**A**														**P**				
L M Danisa	ANC			**P**														**P**				
A S Dawood	ANC	**A**																**P**				
B J de Lange	DA	**P**																**P**				
E J B Dube	ANC							**P**									**P**	**P**				
L C M Fourie	DA									**A**				**P**			**P**	**P**				
N V Gumbi	ANC			**A**					**P**						**P**		**P**	**P**				
S N Hlophe	ANC							**P**										**P**				
M Khoza	IFP									**OBS**								**P**				
S P Khoza	NFP							**P**										**P**				
M R Khumalo	ANC													**A**				**P**				
P N Kwela	NFP	**A**						**A**									**P**	**P**				
C S Kweyama	INDEP							**NA**										**P**				
M Lourens	ANC			**P**														**A**				
N M Madondo	ANC									**NA**								**A**				
M T Makatini	IFP									**A**								**P**				
P M Mathenjwa	ANC									**P**								**P**				
C P Mavimbela	NFP																	**A**				
N C Mbanjwa	ANC	**P**															**P**	**P**				
E F Mbatha	ANC	**A**													**P**		**P**	**A**				
P T Mbatha	ANC	**P**																**A**				

NOVEMBER 2013																					
Councillor		**FS**	**BL**	**CS**	**LLF**	**COMS**	**EXCO**	**CD**	**LLF**	**ITS**	**FS**	**PP**	**CS**	**COMS**	**PERF AUDIT**	**AUDIT**	**EXCO**	**COUNCIL**				
Date		**5**	**5**	**6**	**6**	**7**	**12**	**13**	**13**	**14**	**19**	**19**		**21**	**21**	**21**	**26**	**26**				
M M Mbokazi	ANC									**A**							**P**	**P**				
D J Merryweather	DA			**P**				**OBS**	**P**								**P**	**P**				
M E Mhlongo	ANC									**NA**								**P**				
J B Mkhabela	ANC									**A**								**A**				
M R Mkhize	IFP	**NA**																**P**				
S G Mkhize	ANC																**P**	**P**				
G M Mkize	ANC									**P**				**P**			**P**	**P**				
N Mlaba	NFP													**A**				**A**				
A P Mngomezulu	IFP	**P**																**P**				
M S Mnqayi	ANC			**P**					**A**									**P**				
A H Mthembu	ANC																**P**	**P**				
B C Mthembu	ANC							**A**										**P**				
M W Mthenjana	ANC	**P**																**P**				
K N Mthethwa	IFP													**P**				**P**				
Councillor		**FS**	**BL**	**CS**	**LLF**	**COMS**	**EXCO**	**CD**	**LLF**	**ITS**	**FS**	**PP**	**CS**	**COMS**	**PERF AUDIT**	**AUDIT**	**EXCO**	**COUNCIL**				
Date		**5**	**5**	**6**	**6**	**7**	**12**	**13**	**13**	**14**	**19**	**19**		**21**	**21**	**21**	**26**	**26**				
B T Mthiyane	ANC							**NA**										**A**				
S S Mthiyane	ANC			**P**														**P**				
D J Ndimande	ANC													**P**				**P**				
K E Ndlovu	DA		**NO MEETING**	**OBS**	**NO MEETING**	**NO MEETING**				**OBS**	**NO MEETING**			**P**			**P**	**P**				
T B Ngcobo	NFP									**NA**								**P**				
G A Nkosi	AND													**P**				**A**				
S M	INDE																	**A**				

NOVEMBER 2013																					
Councillor		**FS**	**BL**	**CS**	**LLF**	**COMS**	**EXCO**	**CD**	**LLF**	**ITS**	**FS**	**PP**	**CS**	**COMS**	**PERF AUDIT**	**AUDIT**	**EXCO**	**COUNCIL**				
Date		**5**	**5**	**6**	**6**	**7**	**12**	**13**	**13**	**14**	**19**	**19**		**21**	**21**	**21**	**26**	**26**				
Nsibande	P																				
P M Ntanzi	ANC							**A**									**A**	**A**				
D A Nxumalo	IFP	**P**		**P**													**P**	**P**				
E A Palmer	ANC													**NA**				**P**				
W M Radebe	ANC							**P**									**A**	**P**				
L S Sabelo	NFP			**P**					**P**									**P**				
L B Shangase	ANC	**NA**																**A**				
S S Simmadhri	IFP			**P**				**P**									**P**	**P**				
M Sookroo	ANC							**P**									**A**	**A**				
K Sukreben	ANC	**P**																**A**				
N T Thusi	IFP			**A**										**P**				**A**				
A Viljoen	ANC							**P**										**P**				
D J Xulu	ANC									**P**								**P**				
S B Xaba	ANC									**P**								**P**				
R M Zikhali	ANC													**P**				**A**				
S H Zulu	IFP									**P**								**P**				

DECEMBER 2013																				
Councillor		**EXCO**	**EXCO**	**COUNCIL**	**COUNCIL**															
Date		**3 (14H00)**	**3 (16H30)**	**3**	**10**															
F G Bosman	DA			**A**																
C M Botha	IFP			**A**																
J N Cele	ANC			**P**																
N R Cele	ANC			**A**																
L M Danisa	ANC			**P**																
A S Dawood	ANC			**P**																
B J de Lange	DA			**A**																
E J B Dube	ANC	**OBS**		**P**																
L C M Fourie	DA	**P**	**P**	**A**																
N V Gumbi	ANC	**P**	**P**	**P**																
S N Hlophe	ANC	**OBS**		**P**																
M Khoza	IFP			**P**																
S P Khoza	NFP			**P**																
M R Khumalo	ANC			**P**																
P N Kwela	NFP	**P**	**P**	**P**																
C S Kweyama	INDEP			**A**																
M Lourens	ANC			**P**	**P**															
N M Madondo	ANC			**A**																
M T Makatini	IFP			**NA**																
P M Mathenjwa	ANC			**P**																
C P Mavimbela	NFP			**P**																
N C Mbanjwa	ANC			**P**																
E F Mbatha	ANC	**P**	**P**	**P**	**A**															
P T Mbatha	ANC			**P**																
M M Mbokazi	ANC	**P**	**P**	**P**																
D J Merryweather	DA	**OBS**		**P**																
M E Mhlongo	ANC			**A**																
J B Mkhabela	ANC			**P**																
M R Mkhize	IFP			**P**																

DECEMBER 2013																					
Councillor		**EXCO**	**EXCO**	**COUNCIL**	**COUNCIL**																
Date		**3 (14H00)**	**3 (16H30)**	**3**	**10**																
S G Mkhize	ANC	**P**	**A**	**A**																	
G M Mkize	ANC	**OBS**		**P**																	
N Mlaba	NFP			**NA**																	
A P Mngomezulu	IFP			**NA**																	
M S Mnqayi	ANC	**P**		**P**																	
A H Mthembu	ANC	**A**	**A**	**A**																	
B C Mthembu	ANC			**P**																	
M W Mthenjana	ANC			**P**																	
K N Mthethwa	IFP			**NA**																	
Councillor		**EXCO**	**EXCO**	**COUNCIL**	**COUNCIL**																
Date		**3 (14H00)**	**3 (16H30)**	**3**	**10**																
B T Mthiyane	ANC			**P**																	
S S Mthiyane	ANC			**NA**																	
D J Ndimande	ANC			**P**																	
K E Ndlovu	DA			**P**																	
T B Ngcobo	NFP			**P**																	
G A Nkosi	AND			**P**																	
S M Nsibande	INDEP			**P**	**P**																
P M Ntanzi	ANC			**P**																	
D A Nxumalo	IFP	**A**	**P**	**P**	**P**																
E A Palmer	ANC			**P**																	
W M Radebe	ANC	**OBS**		**P**																	
L S Sabelo	NFP			**P**	**P**																
L B Shangase	ANC	**OBS**		**P**																	
S S Simmadhri	IFP	**P**	**P**	**P**																	
M Sookroo	ANC	**A**	**A**	**A**																	
K Sukreben	ANC			**P**																	
N T Thusi	IFP			**A**																	
A Viljoen	ANC			**P**	**P**																
D J Xulu	ANC			**A**																	

DECEMBER 2013																						
Councillor		**EXCO**	**EXCO**	**COUNCIL**	**COUNCIL**																	
Date		**3 (14H00)**	**3 (16H30)**	**3**	**10**																	
S B Xaba	ANC			**P**																		
R M Zikhali	ANC			**P**																		
S H Zulu	IFP			**P**																		

JANUARY 2014					
Councillor		**FS**	**COUNCIL**	**EXCO**	
Date		**27**	**28**	**28**	
F G Bosman	DA	**OBS**	**P**		
C M Botha	IFP		**P**		
J N Cele	ANC		**P**		
N R Cele	ANC		**P**		
L M Danisa	ANC		**P**		
A S Dawood	ANC	**P**	**P**		
B J de Lange	DA	**P**	**P**		
E J B Dube	ANC		**P**	**OBS**	
L C M Fourie	DA		**P**	**P**	
N V Gumbi	ANC		**P**	**P**	
S N Hlophe	ANC		**P**	**OBS**	
M Khoza	IFP		**P**		
S P Khoza	NFP		**P**		
M R Khumalo	ANC		**P**		
P N Kwela	NFP	**P**	**P**	**P**	
C S Kweyama	INDEP		**P**		
M Lourens	ANC		**P**		
N M Madondo	ANC		**P**		
M T Makatini	IFP		**P**		
P M Mathenjwa	ANC		**P**		

JANUARY 2014					
Councillor		**FS**	**COUNCIL**	**EXCO**	
Date		**27**	**28**	**28**	
C P Mavimbela	NFP		**P**		
N C Mbanjwa	ANC	**P**	**P**	**OBS**	
E F Mbatha	ANC	**P**	**P**	**P**	
P T Mbatha	ANC	**A**	**A**		
M M Mbokazi	ANC		**P**	**P**	
D J Merryweather	DA		**P**		
M E Mhlongo	ANC		**P**	**OBS**	
J B Mkhabela	IFP		**P**		
M R Mkhize	IFP	**P**	**P**		
S G Mkhize	ANC		**P**	**P**	
G M Mkize	ANC		**P**	**OBS**	
N Mlaba	NFP		**N/A**		
A P Mngomezulu	IFP	**A**	**A**		
M S Mnqayi	ANC		**P**	**OBS**	
A H Mthembu	ANC		**A**	**P**	
B C Mthembu	ANC		**P**		
M W Mthenjana	ANC	**P**	**P**		
K N Mthethwa	IFP		**A**		
Councillor		**FS**	**COUNCIL**	**EXCO**	
Date		**27**	**28**		
B T Mthiyane	ANC		**P**		
S S Mthiyane	ANC		**P**		
D J Ndimande	ANC		**P**		
K E Ndlovu	DA		**P**	**OBS**	
T B Ngcobo	NFP		**P**		
G A Nkosi	ANC		**P**	**OBS**	
S M Nsibande	INDEP		**P**		
P M Ntanzi	ANC		**P**		
D A Nxumalo	IFP	**P**	**P**	**P**	
E A Palmer	ANC		**P**		

JANUARY 2014					
Councillor		**FS**	**COUNCIL**	**EXCO**	
Date		**27**	**28**	**28**	
W M Radebe	ANC		**P**		
L S Sabelo	NFP		**P**		
L B Shangase	ANC	**P**	**P**		
S S Simmadhri	IFP		**P**	**P**	
M Sookroo	ANC		**P**	**P**	
K Sukreben	ANC	**P**	**P**		
N T Thusi	IFP		**P**		
A Viljoen	DA		**P**		
D J Xulu	ANC		**P**		
S B Xaba	ANC		**P**		
R M Zikhali	ANC		**P**		
S H Zulu	IFP		**P**	**OBS**	
Inkosi Mkhwanazi			**P**		

FEBRUARY 2014																				
Councillor		**CORPS**	**LLF**	**SPEC COUNCIL**	**COMS**	**BOT**	**EXCO**	**CD**	**MANDL**	**CORPS**	**FS**	**PERF AUDIT**	**ITS**	**UPTLC**	**SECT 62**	**SECT 62**	**EXCO**	**COUNCIL**	**FS**	
Date		**5**	**5**	**5**	**6**	**7**	**11**	**12**	**12**	**14**	**13**	**13**	**18**	**20**	**20**	**25**	**25**	**25**	**27**	
F G Bosman	DA	MEETING CANCELLED		**P**	MEETING CANCELLED								**A**	MEETING CANCELLED				**A**		
C M Botha	IFP			**P**				**P**							**P**	**A**		**P**		
J N Cele	ANC			**P**						**P**								**P**		
N R Cele	ANC			**P**						**A**								**P**		
L M Danisa	ANC			**P**						**P**								**P**		
A S	AN			**P**							**P**							**P**	**A**	

FEBRUARY 2014																				
Councillor		**CORPS**	**LLF**	**SPEC COUNCIL**	**COMS**	**BOT**	**EXCO**	**CD**	**MANDL**	**CORPS**	**FS**	**PERF AUDIT**	**ITS**	**UPTLC**	**SECT 62**	**SECT 62**	**EXCO**	**COUNCIL**	**FS**	
Date		**5**	**5**	**5**	**6**	**7**	**11**	**12**	**12**	**14**	**13**	**13**	**18**	**20**	**20**	**25**	**25**	**25**	**27**	
Dawood	C																			
B J de Lange	DA			**P**		**P**					**P**							**P**	**P**	
E J B Dube	ANC			**P**				**A**							**A**	**A**		**P**		
L C M Fourie	DA			**P**			**P**										**P**	**P**		
N V Gumbi	ANC		**P**	**P**			**P**		**P**	**P**		**A**					**P**	**P**		
S N Hlophe	ANC			**P**		**P**	**P**	**P**										**P**		
M Khoza	IFP			**P**									**OBS**					**P**		
S P Khoza	NFP			**P**				**NA**										**P**		
M R Khumalo	ANC			**P**													**OBS**	**P**		
P N Kwela	NFP			**P**			**A**	**P**			**P**						**P**	**A**	**P**	
C S Kweyama	INDEP			**A**				**A**										**P**		
M Lourens	ANC			**P**						**P**							**A**	**P**		
N M Madondo	ANC			**P**									**P**					**P**		
M T Makatini	IFP			**A**									**A**					**A**		
P M Mathenjwa	ANC			**P**									**P**					**P**		
C P	NF			**A**														**P**		

FEBRUARY 2014																				
Councillor		**CORPS**	**LLF**	**SPEC COUNCIL**	**COMS**	**BOT**	**EXCO**	**CD**	**MANDL**	**CORPS**	**FS**	**PERF AUDIT**	**ITS**	**UPTLC**	**SECT 62**	**SECT 62**	**EXCO**	**COUNCIL**	**FS**	
Date		**5**	**5**	**5**	**6**	**7**	**11**	**12**	**12**	**14**	**13**	**13**	**18**	**20**	**20**	**25**	**25**	**25**	**27**	
Mavimbela	P																			
N C Mbanjwa	ANC			**P**							**P**							**A**	**A**	
E F Mbatha	ANC			**P**			**P**		**P**		**P**	**P**					**P**	**P**	**P**	
P T Mbatha	ANC			**P**							**P**							**P**	**A**	
M M Mbokazi	ANC			**P**			**P**						**P**				**P**	**P**		
D J Merryweather	DA		**P**	**P**			**OBS**	**OBS**		**P**							**OBS**	**P**		
M E Mhlongo	ANC			**A**									**P**					**A**		
M R Mkhize	IFP			**P**														**P**		
S G Mkhize	ANC			**A**			**P**						**P**				**P**	**P**		
G M Mkize	ANC			**P**														**P**		
N Mlaba	NFP			**P**											**NA**	**P**		**A**		
A P Mngomezulu	IFP			**P**							**P**							**P**	**P**	
M S Mnqayi	ANC		**A**	**P**		**A**	**P**		**P**	**A**					**A**		**OBS**	**P**		
A H Mthembu	ANC			**P**			**P**										**P**	**P**		
B C Mthembu	ANC			**P**				**A**										**P**		

FEBRUARY 2014																			
Councillor		**CORPS**	**LLF**	**SPEC COUNCIL**	**COMS**	**BOT**	**EXCO**	**CD**	**MANDL**	**CORPS**	**FS**	**PERF AUDIT**	**ITS**	**UPTLC**	**SECT 62**	**SECT 62**	**EXCO**	**COUNCIL**	**FS**
Date		**5**	**5**	**5**	**6**	**7**	**11**	**12**	**12**	**14**	**13**	**13**	**18**	**20**	**20**	**25**	**25**	**25**	**27**
M W Mthenjana	ANC			**P**							**P**							**P**	**P**
K N Mthethwa	IFP			**P**														**P**	
Councillor		**CORPS**	**LLF**	**SPEC COUNCIL**	**COMS**	**BOT**	**EXCO**	**CD**	**MANDL**	**CORPS**	**FS**	**PERF AUDIT**	**ITS**	**UPTLC**	**SECT 62**	**SECT 62**	**EXCO**	**COUNCIL**	**FS**
Date		**5**	**5**	**5**		**7**	**11**	**12**	**12**	**14**	**13**	**13**	**18**	**20**	**20**	**25**	**25**	**25**	**27**
B T Mthiyane	ANC	**MEETING CANCELLED**		**A**	**MEETING CANCELLED**			**A**						**MEETING CANCELLED**				**P**	
S S Mthiyane	ANC			**P**						**P**								**A**	
J B Mkhabela	ANC			**P**									**P**		**NA**	**P**		**P**	
D J Ndimande	DA			**P**														**P**	
K E Ndlovu	NFP			**P**			**OBS**	**OBS**			**OBS**							**P**	
T B Ngcobo	ANC			**P**		**A**							**NA**					**P**	
G A Nkosi	INDEP			**P**														**P**	
S M Nsibande	ANC			**P**														**A**	
P M Ntanzi	ANC			**P**				**P**										**P**	
D A Nxumalo	AIFP			**P**			**P**			**P**	**P**						**P**	**P**	**P**
E A	AN			**P**														**P**	

FEBRUARY 2014																				
Councillor		**CORPS**	**LLF**	**SPEC COUNCIL**	**COMS**	**BOT**	**EXCO**	**CD**	**MANDL**	**CORPS**	**FS**	**PERF AUDIT**	**ITS**	**UPTLC**	**SECT 62**	**SECT 62**	**EXCO**	**COUNCIL**	**FS**	
Date		**5**	**5**	**5**	**6**	**7**	**11**	**12**	**12**	**14**	**13**	**13**	**18**	**20**	**20**	**25**	**25**	**25**	**27**	
Palmer	C																			
W M Radebe	ANC			**P**				**P**			**OBS**							**P**		
L S Sabelo	NFP		**P**	**P**						**A**								**P**		
L B Shangase	ANC			**P**							**P**							**A**	**A**	
S S Simmadhri	IFP			**P**			**P**	**P**		**P**	**P**						**P**	**P**	**P**	
M Sookroo	ANC			**P**			**P**	**P**									**P**	**P**		
K Sukreben	ANC			**A**							**A**							**A**	**A**	
N T Thusi	IFP		**P**	**P**						**A**								**P**		
A Viljoen	DA			**P**				**A**										**P**		
D J Xulu	ANC			**A**									**P**					**P**		
S B Xaba	ANC			**P**									**P**					**P**		
R M Zikhali	ANC			**P**														**P**		
S H Zulu	IFP			**P**									**P**					**P**		

MARCH 2014																			
Councillor		**PP**	**CORP**	**LLF**	**MPAC**	**COMS**	**MPAC**	**EXCO**	**CD**	**PERFASS**	**PERFASS**	**PERFASS**	**ITS**	**CS**	**FS**	**EXCO**	**COUNCIL**	**PEF AUDIT**	**MPAC**
Date		**4**	**5**	**5**	**5**	**6**	**7**	**11**	**12**	**12**	**13**	**14**	**18**	**19**	**26**	**27**	**27**	**28**	**27**
F G Bosman	DA		MEETING CANCELLED		NO QUORUM								A	MEETING CANCELLED			A	MEETING CANCELLED	MEETING CANCELLED DUE TO EXCO AND COUNCIL RFESCHEDULED
C M Botha	DA								A								A		
J N Cele	ANC	NA					NA										A		
N R Cele	ANC	NA															P		
L M Danisa	ANC						A										P		
A S Dawood	ANC						P								P		P		
B J de Lange	DA														P		P		
E J B Dube	ANC	A						OBS	P							OBS	P		
L C M Fourie	DA	A				A		P					A			P	P		
N V Gumbi	ANC			P				P		P	A	A				P	P		
S N Hlophe	ANC								P								P		
M Khoza	IFP												OBS				P		
S P Khoza	NFP	P							P								P		
M R Khumalo	ANC																NA		
P N Kwela	NFP							P	P						A	A	A		
C S Kweyama	IND EP								P								A		
M Lourens	ANC								OBS								A		
N M Madondo	ANC												P				P		
M T Makatini	IFP												A				P		

MARCH 2014																				
Councillor		**PP**	**CORP**	**LLF**	**MPAC**	**COMS**	**MPAC**	**EXCO**	**CD**	**PERF ASS**	**PERF ASS**	**PERF ASS**	**ITS**	**CS**	**FS**	**EXCO**	**COUNCIL**	**PEF AUDIT**	**MPAC**	
Date		**4**	**5**	**5**	**5**	**6**	**7**	**11**	**12**	**12**	**13**	**14**	**18**	**19**	**26**	**27**	**27**	**28**	**27**	
P M Mathenjwa	ANC												**P**				**A**			
C P Mavimbela	NFP																**A**			
N C Mbanjwa	ANC														**P**		**A**			
E F Mbatha	ANC							**P**		**P**	**P**	**P**			**P**	**P**	**P**			
P T Mbatha	ANC														**A**		**P**			
M M Mbokazi	ANC							**P**	**OBS**				**P**			**P**	**P**			
D J Merryweather	DA		**P**					**OBS**	**OBS**							**OBS**	**P**			
M E Mhlongo	ANC												**P**				**NA**			
J B Mkhabela	ANC							**OBS**					**P**				**P**			
M R Mkhize	IFP						**NA**										**P**			
S G Mkhize	ANC							**A**					**P**			**P**	**P**			
G M Mkize	ANC					**P**		**OBS**								**OBS**	**P**			
N Mlaba	NFP	**NA**				**NA**											**NA**			
A P Mngomezulu	IFP	**A**													**P**		**P**			
M S Mnqayi	ANC	**P**	**P**					**OBS**									**A**			
A H Mthembu	ANC	**A**				**P**		**P**								**P**	**P**			
B C Mthembu	ANC	**A**						**OBS**	**P**								**P**			

MARCH 2014																			
Councillor		**PP**	**CORP**	**LLF**	**MPAC**	**COMS**	**MPAC**	**EXCO**	**CD**	**PERF ASS**	**PERF ASS**	**PERF ASS**	**ITS**	**CS**	**FS**	**EXCO**	**COUNCIL**	**PEF AUDIT**	**MPAC**
Date		**4**	**5**	**5**	**5**	**6**	**7**	**11**	**12**	**12**	**13**	**14**	**18**	**19**	**26**	**27**	**27**	**28**	**27**
M W Mthenjana	ANC							**OBS**							**A**		**A**		
K N Mthethwa	IFP					**P**											**A**		
Councillor		**PP**	**CORP**	**LLF**	**MPAC**	**COMS**	**MPAC**	**EXCO**	**CD**				**ITS**		**FS**	**EXCO**	**COUNCIL**	**PEF AUDIT**	**MPAC**
Date		**4**	**5**	**5**	**5**	**6**	**7**	**11**	**12**				**18**		**26**	**27**	**27**	**28**	**27**
B T Mthiyane	ANC		**MEETING CANCELLED**						**A**								**A**	**MEETING CANCELLED**	**MEETING CANCELLED**
S S Mthiyane	ANC						**NA**										**A**		
D J Ndimande	ANC					**P**											**P**		
K E Ndlovu	DA	**OBS**				**P**			**OBS**				**OBS**		**OBS**	**OBS**	**P**		
T B Ngcobo	NFP												**P**				**A**		
G A Nkosi	AND					**P**											**NA**		
S M Nsibande	IND EP	**A**															**NA**		
P M Ntanzi	ANC								**P**								**A**		
D A Nxumalo	IFP	**P**						**P**							**P**	**P**	**P**		
E A Palmer	ANC					**P**											**P**		
W M Radebe	ANC								**P**								**P**		
L S Sabelo	NFP			**P**			**NA**										**A**		
L B Shangase	ANC														**P**		**P**		
S S Simmadhri	IFP							**A**	**A**						**P**	**P**	**P**		
M Sookroo	ANC							**A**	**P**							**P**	**P**		

MARCH 2014

Councillor		PP	CORP	LLF	MPAC	COMS	MPAC	EXCO	CD	PERF ASS	PERF ASS	PERF ASS	ITS	CS	FS	EXCO	COUNCIL	PEF AUDIT	MPAC
Date		4	5	5	5	6	7	11	12	12	13	14	18	19	26	27	27	28	27
K Sukreben	ANC						NA								P		A		
N T Thusi	IFP			A		A	A										P		
A Viljoen	DA						P		P								P		
D J Xulu	ANC						NA						P				P		
S B Xaba	ANC												P				P		
R M Zikhali	ANC	P				P	P										A		
S H Zulu	IFP												P				P		

APRIL 2014

Councillor		PP	FS	CORP	LLF	COMS	EXCO	CD	ITS	SECT 62	PP	NAM STRUCT	FS	CORP	LLF	EXCO	COUNCIL	CD
Date		1		2		3	8										22	
F G Bosman	DA			NO MEETING	NO MEETING										ALL MEETINGS CANCELLED DUE TO NATIONAL ELECTIONS	DUE TO THE NATIONAL ELECTIONS	P	NO MEETING DUE TO ELECTIONS
C M Botha	DA																P	
J N Cele	ANC	A															P	
N R Cele	ANC	A															P	
L M Danisa	ANC																P	
A S Dawood	ANC																P	
B J de Lange	DA																A	
E J B Dube	ANC	P					OBS										P	
L C M Fourie	DA	P				P	P										A	
N V Gumbi	ANC	OBS					P										P	
S N Hlophe	ANC						OBS										A	
M Khoza	IFP					OBS											P	
S P Khoza	NFP	NA															NA	
M R Khumalo	ANC					P											P	

APRIL 2014

Councillor		PP	FS	CORP	LLF	COMS	EXCO	CD	ITS	SECT 62	PP	NAM STRUCT	FS	CORP	LLF	EXCO	COUNCIL	CD
Date		1		2		3	8										22	
P N Kwela	NFP						P										A	
C S Kweyama	INDEP																P	
M Lourens	ANC																P	
N M Madondo	ANC																P	
M T Makatini	IFP																A	
P M Mathenjwa	ANC																P	
C P Mavimbela	NFP																A	
N C Mbanjwa	ANC																P	
E F Mbatha	ANC						A										P	
P T Mbatha	ANC																P	
M M Mbokazi	ANC						P										P	
D J Merryweather	DA	OBS				OBS	OBS										P	
M E Mhlongo	ANC																A	
J B Mkhabela	ANC																A	
M R Mkhize	IFP																A	
S G Mkhize	ANC						P										A	
G M Mkize	ANC					P											P	
N Mlaba	NFP	A				NA											A	
A P Mngomezulu	IFP	P															A	
M s Mnqayi	ANC	P															P	
A H Mthembu		P				P	A										A	
B C Mthembu		A					OBS										P	
W M Mthenjana							OBS										P	
K N Mthethwa	IFP					A											A	
Councillor		PP	FS	CORP	LLF	COMS	EXCO	CD	ITS	SECT 62	PP		FS	CORP	LLF	EXCO	COUNCIL	
Date		1		2		3	8											

APRIL 2014																		
Councillor		**PP**	**FS**	**CORP**	**LLF**	**COMS**	**EXCO**	**CD**	**ITS**	**SECT 62**	**PP**	**NAM STRUCT**	**FS**	**CORP**	**LLF**	**EXCO**	**COUNCIL**	**CD**
Date		**1**		**2**		**3**	**8**										**22**	
B T Mthiyane	ANC																A	
S S Mthiyane	ANC																P	
D J Ndimande	ANC					P											P	
K E Ndlovu	DA					A	OBS										P	
T B Ngcobo	NFP																A	
G A Nkosi	AND					P											A	
S M Nsibande	INDEP	A				P											A	
P M Ntanzi	ANC																P	
D A Nxumalo	IFP	P					P										P	
E A Palmer	ANC					A											P	
W M Radebe	ANC																A	
L S Sabelo	NFP																A	
L B Shangase	ANC						OBS										P	
S S Simmadhri	IFP						P										A	
M Sookroo	ANC						P										P	
K Sukreben	ANC						OBS										P	
N T Thusi	IFP					A											P	
C M Botha	IFP																P	
S H Zulu	IFP						OBS										P	
R M Zikhali	ANC	P				P											P	

NO MEETING

NO MEETING

ALL MEETINGS CANCELLED DUE TO NATIONAL ELECTIONS

MEETINGS CANCELLED

MAY 2014															
Councillor		**CORP**	**LLF**	**EXCO**	**S COUN**	**CD**	**CORP**	**COMS**	**IT&S**	**CORP**	**BOT**	**FS**	**EXCO**	**COUNCIL**	**FS**
Date		**7**	**7**	**13**	**13**	**14**	**21**	**15**	**20**	**21**	**23**	**26**	**27**	**27**	**29**
F G Bosman	DA	NO MEETING	NO MEETING/NO QUORUM		A		NO MEETING	NO MEETING	P					P	NO MEETING
C M Botha	IFP				P	P								A	
J N Cele	ANC				P					A				P	
N R Cele	ANC				P					A				P	
L M Danisa	ANC				P					P				A	
A S Dawood	ANC				P							NA		P	
B J de Lange	DA				P						P	P		P	
E J B Dube	ANC				P	P							OBS	P	
L C M Fourie	DA			A	A				O				P	P	
N V Gumbi	ANC			P	P	OBS				P			P	P	
S N Hlophe	ANC			OBS	P	P					P			P	
M Khoza	IFP				A				O					P	
S P Khoza	NFP				P	P								P	
M R Khumalo	ANC				A									P	
P N Kwela	NFP			P	P	P						P	P	P	
C S Kweyama	INDEP				A	A								P	
M Lourens	ANC				A					A				P	
N M Madondo	ANC				A				A					A	
M T Makatini	IFP				A				A					P	
P M Mathenjwa	ANC				P				P					P	
C P Mavimbela	NFP				A									P	
N C Mbanjwa	ANC				A							A		A	
E F Mbatha	ANC			P	P							P	P	P	
P T Mbatha	ANC				P							A		A	
M M Mbokazi	ANC			P	P	OBS			A				P	P	
D J Merryweather	DA			OBS	P	OBS				P			OBS	P	
M E Mhlongo	ANC				A				A					P	
J B Mkhabela	ANC			OBS	P				P				OBS	P	

MAY 2014															
Councillor		**CORP**	**LLF**	**EXCO**	**S COUN**	**CD**	**CORP**	**COMS**	**IT&S**	**CORP**	**BOT**	**FS**	**EXCO**	**COUNCIL**	**FS**
Date		**7**	**7**	**13**	**13**	**14**	**21**	**15**	**20**	**21**	**23**	**26**	**27**	**27**	**29**
M R Mkhize	IFP				P									P	
S G Mkhize	ANC			P	P				P				A	A	
G M Mkize	ANC				P									P	
N Mlaba	NFP				A									A	
A P Mngomezulu	IFP				P							P		P	
M S Mnqayi	ANC			OBS	P					P	A			P	
A H Mthembu	ANC			P	P								P	A	
B C Mthembu	ANC				P	P								P	
M W Mthenjana	ANC				P							A		P	
K N Mthethwa	IFP				P									P	
Councillor		**COMS**	**LLF**	**EXCO**	**S COUN**	**CD**	**CORP**	**COMS**	**IT&S**	**CORS**	**BOT**	**FS**	**EXCO**	**COUNCIL**	**FS**
Date		**7**	**7**		**13**			**15**	**20**	**21**	**23**	**26**	**27**	**27**	**29**
B T Mthiyane	ANC				P	A								A	
S S Mthiyane	ANC				P					A				P	
D J Ndimande	ANC				P									A	
K E Ndlovu	DA			OBS	P	OBS			O					A	
T B Ngcobo	NFP				A				NA		NA			A	
G A Nkosi	AND				P									A	
S M Nsibande	INDEP				P									P	
P M Ntanzi	ANC				P	A								P	
D A Nxumalo	IFP			P	P					A		P	P	P	
E A Palmer	ANC				A									P	
W M Radebe	ANC				P	P								P	
L S Sabelo	NFP				P					A				P	
L B Shangase	ANC				P							P		P	
S S Simmadhri	IFP			P	P	P				P		A	P	P	
M Sookroo	ANC			P	A	A							P	P	
K Sukreben	ANC				A							P		P	
N T Thusi	IFP				P					A				A	

NO MEETING

NO MEETING/NO QUORUM

NO MEETING

NO MEETING

NO MEETING

MAY 2014

Councillor		CORP	LLF	EXCO	S COUN	CD	CORP	COMS	IT&S	CORP	BOT	FS	EXCO	COUNCIL	FS
Date		**7**	**7**	**13**	**13**	**14**	**21**	**15**	**20**	**21**	**23**	**26**	**27**	**27**	**29**
C M Botha	DA				**P**									**P**	
A Viljoen	ANC				**P**	**P**								**P**	
D J Xulu	ANC				**A**				**P**					**P**	
S B Xaba	ANC				**P**				**A**					**A**	
R M Zikhali	ANC				**A**									**P**	
S H Zulu	**IFP**				**P**				**NA**					**P**	

JUNE 2014

SPEC		BL	CORPS	PEF ASS	EXCO	LLF	CD	SPEC COUNCIL	ITS	FS	BYL AWS	SCOUNCIL	CORPS	COMS	ITS	EXCO	COUNCIL	CD	ITS	CORS	FS	PEF AUDIT
Date		**3**		**6**	**10**	**11**		**12**		**12**				**12**	**17**	**24**	**24**	**25**	**17**	**25**	**26**	**27**
F G Bosman	DA		**NO MEETING**					**A**	**DELETE**				**NO MEETING**		**P**		**P**					
C M Botha	IFP						**P**	**P**									**NA**	**NA**				
J N Cele	ANC							**A**									**P**			**A**		
N R Cele	ANC							**P**								**P**	**P**			**P**		
L M Danisa	ANC							**P**									**P**			**P**		
A S Dawood	ANC	**P**						**A**		**P**							**P**				**P**	
B J de Lange	DA							**P**		**P**							**P**				**P**	
E J B Dube	ANC						**P**	**P**								**OBS**	**P**	**P**				
L C M	DA				**P**			**P**						**P**	**O**	**P**	**P**					

JUNE 2014																						
SPEC		BL	CORPS	PEFASS	EXCO	LLF	CD	SPEC COUNCIL	ITS	FS	BYLAWS	SCOUNCIL	CORPS	COMS	ITS	EXCO	COUNCIL	CD	ITS	CORS	FS	PEF AUDIT
Date		3		6	10	11	11	12		12				12	17	24	24	25	17	25	26	27
Fourie															BS							
N V Gumbi	ANC	OBS		P	P	P	OBS	P								P	P			P		P
S N Hlophe	ANC	P					P	P						OBS			P	P				
M Khoza	IFP	P						P						OBS	OBS		A					
S P Khoza	NFP						A	A									P	P				
M R Khumalo	ANC							A						P			P					
P N Kwela	NFP				A		A	P		A						P	P	P			P	
C S Kweyama	INDEP						NA	A									A	A				
M Lourens	ANC				OBS			P								OBS	P			P		
N M Madondo	ANC	NA						P							P		P					
M T Makatini	IFP							A							P		NA					
P M Mathenjwa	ANC							A							P		P					
C P Mavimbela	NFP							A									A					
N C Mbanjwa	ANC							A		A							A				A	

JUNE 2014																						
SPEC		BL	CORPS	PEFASS	EXCO	LLF	CD	SPEC COUNCIL	ITS	FS	BYLAWS	SCOUNCIL	CORPS	COMS	ITS	EXCO	COUNCIL	CD	ITS	CORS	FS	PEF AUDIT
Date		3		6	10	11	11	12		12				12	17	24	24	25	17	25	26	27
E F Mbatha	ANC			P	P			P		P						P	P				P	P
P T Mbatha	ANC				OBS			A		A							P				NA	
M M Mbokazi	ANC				P		OBS	P							P	P	P					
D J Merryweather	DA	P			OBS	P	OBS	P									A			A		
M E Mhlongo	ANC	A						P							P		P					
J B Mkhabela	ANC				OBS			P							P		P					
M R Mkhize	IFP							P		OBS							P					
S G Mkhize	ANC	P			P			P							P	A	A					
G M Mkize	ANC							P						P			P					
N Mlaba	NFP							A						NA			A					
A P Mngomezulu	IFP	A			OBS			P		A							A				A	
M S Mnqayi	ANC				OBS	P		P								OBS	P			P		
A H Mthembu	ANC				P			P						P			P					
B C Mthembu	ANC						P	P									P	P				

JUNE 2014																						
SPEC		**BL**	**CORPS**	**PEFASS**	**EXCO**	**LLF**	**CD**	**SPEC COUNCIL**	**ITS**	**FS**	**BYLAWS**	**SCOUNCIL**	**CORPS**	**COMS**	**ITS**	**EXCO**	**COUNCIL**	**CD**	**ITS**	**CORS**	**FS**	**PEF AUDIT**
Date		**3**		**6**	**10**	**11**	**11**	**12**		**12**				**12**	**17**	**24**	**24**	**25**	**17**	**25**	**26**	**27**
M W Mthenjana	ANC							**A**		**P**							**P**				**NA**	
K N Mthethwa	IFP							**A**						**A**			**P**					
Councillor		**BL**	**CORPS**	**PEFASS**	**EXCO**		**CD**	**COUNCIL**	**ITS**	**FS**	**BYLAWS**	**SCOUNCIL**	**CORPS**	**COMS**		**EXCO**	**COUNCIL**	**CD**	**ITS**	**CORS**	**FS**	**PEF AUDIT**
Date		**3**			**10**		**11**	**12**		**12**				**12**		**24**	**24**	**25**	**17**	**25**	**26**	**27**
B T Mthiyane	ANC		**NO MEETING**				**P**	**A**					**NO MEETING**				**P**	**P**				
S S Mthiyane	ANC							**A**									**NA**			**A**		
D J Ndimande	ANC	**A**						**P**						**P**			**P**					
K E Ndlovu	DA	**OBS**			**OBS**		**OBS**	**P**						**P**	**OBS**		**NA**			**OS**		
T B Ngcobo	NFP	**NA**						**P**							**P**		**A**					
G A Nkosi	AND							**A**						**NA**			**P**					
S M Nsibande	INDEP							**P**						**A**			**NA**					
P M Ntanzi	ANC						**P**	**P**									**P**	**P**				
D A Nxumalo	IFP				**P**			**P**		**P**						**P**	**P**			**P**	**P**	
E A Palmer	ANC							**P**						**P**			**A**					
W M Radebe	ANC						**P**	**P**									**P**	**A**				

JUNE 2014																					
SPEC		**BL**	**CORPS**	**PEFASS**	**EXCO**	**LLF**	**CD**	**SPEC COUNCIL**	**ITS**	**FS**	**BYLAWS**	**SCOUNCIL**	**CORPS**	**COMS**	**ITS**	**EXCO**	**COUNCIL**	**CD**	**ITS**	**CORS**	**FS**	**PEF AUDIT**
Date		**3**		**6**	**10**	**11**	**11**	**12**		**12**				**12**	**17**	**24**	**24**	**25**	**17**	**25**	**26**	**27**
L S Sabelo	NFP					**P**		**P**									**P**			**P**		
L B Shangase	ANC							**A**		**A**							**P**				**NA**	
S S Simmadhri	IFP	**A**			**A**		**P**	**P**		**P**						**P**	**P**	**P**		**P**	**P**	
M Sookroo	ANC	**P**			**A**		**P**	**P**								**A**	**A**	**P**				
K Sukreben	ANC							**A**		**A**							**P**				**P**	
N T Thusi	IFP					**P**		**A**						**P**			**P**			**P**		
A Viljoen	DA						**P**	**P**									**P**	**NA**				
D J Xulu	ANC							**P**							**P**		**P**					
S B Xaba	ANC							**P**							**P**		**P**					
R M Zikhali	ANC							**P**						**P**			**P**					
S H Zulu	**IFP**							**A**							**P**		**P**					

APPENDIX B: COMMITTEES AND COMMITTEE PURPOSE

SECTION 79 - COUNCIL AND OFFICIAL REPRESENTATION ON COMMITTEES FOR THE 2011 TO 2016 TERM OF OFFICE

COMMITTEE	CHAIR	DEPUTY CHAIR	ANC	DA	IFP	NFP	INDEP / OBSERVERS	OFFICIALS	EXTERNAL REPRESENT
Bylaws Philile	S N Hlophe	S S Simmadhri	A S Dawood N M Madondo M E Mhlongo S G Mkhize D J Ndimande M Sookroo	D Merryweather	M Khoza A P Mngomezulu	T B Ngcobo	**Observer** Mayor Deputy Mayor Speaker Chief Whip A Viljoen	N Miya J Allen S Hlela C Koekemoer S Mbatha M Van Rooijen B Nzimande E Van Biljon Z Poswa G Gazu C Mathenjwa Z Masango J Roselt H R Dladla B Khanyile N Maharaj E Raper F Cornelius	
Standing Orders Ragini	M S Mnqayi	K N Mthethwa	L M Danisa M R Khumalo M Lourens E A Palmer W M Radebe Vacant	A Viljoen	M T Makatini D A Nxumalo	N P Kwela	Observer Mayor Deputy Mayor	V Mathabela M Mhlongo X Zuma	

COMMITTEE	CHAIR	DEPUTY CHAIR	ANC	DA	IFP	NFP	INDEP / OBSERVERS	OFFICIALS	EXTERNAL REPRESENT
uMhlathuze Public Transport Liaison Committee (UPTLC) Ragini	S B Xaba	C P Mavimbela	M M Mbokazi M W Mthenjana S S Mthiyane B T Mthiyane P M Ntanzi W M Radebe	K Ndlovu	M Khoza S H Zulu	T B Ngcobo	C S Kweyama **Observer** Mayor Deputy Mayor Speaker Chief Whip D Merryweather	J Schutte B Strachan S Mbatha M Mhlongo Z Poswa CFO on request	
Community Safety Forum (Incorporating CCTV Camera Project) Ragini	K Sukreben	L C M Fourie	P M Mathenjwa N C Mbanjwa P T Mbatha G A Nkosi L B Shangase D J Xulu	D Merryweather	M Khoza M R Mkhize	L Sabelo	**Observer** Mayor Deputy Mayor Speaker Chief Whip K E Ndlovu	A Schutte S Mbatha B Khumalo CFO on request	
Public Participation Committee under convenorship of the Speaker Phililе	M S Mnqayi	N Mlaba	J N Cele N Cele E J B Dube A H Mthembu B C Mthembu K Ntuli	L C M Fourie	A P Mngomezulu D A Nxumalo	S Khoza	S Nsibande **Observer** Mayor Deputy Mayor Chief Whip K Ndlovu	S Hlela S Mbatha S Khumalo / T Gumede M Z Zungu P White S Adonis R Govender N Zulu N Khumalo B Kanyile	

SECTION 80 - COUNCIL AND OFFICIAL REPRESENTATION ON COMMITTEES FOR THE 2011 TO 2016 TERM OF OFFICE

COMMITTEE	CHAIR	DEPUTY CHAIR	ANC	DA	IFP	NFP	INDEP / OBSERVERS	OFFICIALS	EXTERNAL REPRESENT
Financial Services (FS) Philile	E F Mbatha	D A Nxumalo	A S Dawood N C Mbanjwa P T Mbatha M W Mthenjana L B Shangase K Sukreben	B J de Lange	A P Mngomezulu S S Simmadhri	N P Kwela	Observer Deputy Mayor Speaker Chief Whip M R Mkhize C M Botha F Bosman	M Kunene H Renald N Khumalo E Raper F Cornelius S Khumalo N Mthembu E H van Biljon Z Dladla R Mnguni J K Naidoo C Koekemoer T Phahla	
Corporate Services **(CORPS)** Philile	N V Gumbi	S S Simmadhri	J N Cele N Cele L M Danisa M Lourens M S Mnqayi S S Mthiyane	D Merryweather	D A Nxumalo N T Thusi	L Sabelo	Observer Mayor Speaker C M Botha A P Mngomezulu B J de Lange	C Koekemoer S Mbatha T Phahla M Oliphant J Allen B Khumalo A Lombaard G Mthembu S Mthombeni E H van Biljon T Jordan M Smith M Vilakazi J Roselt Z Masango Z Dladla A Vumba C Mathenjwa Z Poswa A Moss E Raper D Kemp	

COMMITTEE	CHAIR	DEPUTY CHAIR	ANC	DA	IFP	NFP	INDEP / OBSERVERS	OFFICIALS	EXTERNAL REPRESENT
Community Services (COMS) Ragini	A H Mthembu	L C M Fourie	M R Khumalo G M Mkhize D J Ndimande G A Nkosi R M Zikhali E A Palmer	K E Ndlovu	K N Mthethwa N T Thusi	N Mlaba	S Nsibande <u>Observer</u> Mayor Deputy Mayor Speaker Chief Whip A P Mngomezulu M Khoza D Merryweather A S Dawood S G Mkhize S H Zulu	Z Dladla A Vumba C Mathenjwa J Roselt Z Masongo Z Poswa P White T Mavimbela B Ambrose J Mdlalose R Mnguni P Dlamini O Ramaboea E Davis F Cook E H van Biljon O J H Mulder D Ngidi Mr B Ngema Ms S Govender N Maharaj A Schutte N Zulu C da Cruz N Mthembu	

COMMITTEE	CHAIR	DEPUTY CHAIR	ANC	DA	IFP	NFP	INDEP / OBSERVERS	OFFICIALS	EXTERNAL REPRESENT
City Development (CD) Theresa **Sub Com:** **Aesthics** **Naming Structures** **Mandlazini Trust** **Mzingazi Joint** **Social Compact**	M Sookroo	N P Kwela	E J B Dube S N Hlophe B C Mthembu B T Mthiyane P M Ntanzi W M Radebe	A Viljoen	S S Simmadhri C M Botha	S Khoza	C Kweyama <u>Observer</u> Mayor Deputy Mayor Speaker Chief Whip A Dawood B J de Lange	M Van Rooijen T Jordan B Strachan S P Nzimande B Ngema M Mhlongo S Govender M Smith M Vilakazi E Brummer S Qulu S Thusi P Thusini Z Ndawonde E H van Biljon Z Dladla J Roselt Z Masongo A Vumba C Mathenjwa R Mnguni Z Poswa T Mavimbela P White P Dlamini A Moss B Mbhamali J Allen H Renald E Raper F Matolo	
Infrastructure and Technical Services **(ITS)**	S G Mkhize	M M Mbokazi	N M Madondo P T Mathenjwa M E Mhlongo S B Xaba D J Xulu Vacant	F Bosman	M T Makatini S H Zulu	T B Ngcobo	<u>Observer</u> Mayor Deputy Mayor Speaker Chief Whip	J K Naidoo B Mbhamali J Schutte S Hlela A Moss L Buthelezi E H van Biljon	

COMMITTEE	CHAIR	DEPUTY CHAIR	ANC	DA	IFP	NFP	INDEP / OBSERVERS	OFFICIALS	EXTERNAL REPRESENT
Carien							A P Mngomezulu M Khoza L C M Fourie	M Van Rooijen B Strachan M Mhlongo Z Dladla J Roselt Z Masongo A Vumba R Mnguni C Mathenjwa Z Poswa T Mavimbela P Dlamini T Phahla B Khumalo J Allen H Renald C da Cruz	

MPAC ESTABLISHED IN TERMS OF THE MUNICIPAL STRUCTURES ACT 1998, MUNICIPAL SYSTEMS ACT 2000 AND MUNICIPAL FINANCE MANAGEMENT ACT OF 2003

COMMITTEE	CHAIR	DEPUTY CHAIR	ANC	DA	IFP	NFP	INDEP / OBSERVERS	OFFICIALS	EXTERNAL REPRESENT
Municipal Public Accounts Committee (MPAC) Theresa			N Cele L M Danisa A S Dawood M S Mnqayi S S Mthiyane K Ntuli D J Xulu	A Viljoen	M R Mkhize N T Thusi	N P Kwela		J K Naidoo Senior Managers Municipal Manager H Renald	

SECTION 62 ESTABLISHED IN TERMS OF THE LOCAL GOVERNMENT MUNICIPAL SYSTEMS ACT, 32 OF 2000

COMMITTEE	CHAIR	DEPUTY CHAIR	ANC	DA	IFP	NFP	INDEP / OBSERVERS	OFFICIALS	EXTERNAL REPRESENT
Section 62 Appeals Committee Carien	A Viljoen		E J B Dube M S Mnqayi J B Mkhabela		C M Botha	N Mlaba		N Miya J Allen M van Rooijen M Vilakazi M Smith M Ngubane B Ngema CFO on request	**RESOLUTION 3779 OF 6 JUNE 2006**

LOCAL LABOUR FORUM ESTABLISHED IN TERMS OF THE ORGANISATIONAL RIGHTS AGREEMENT

Local Labour Forum Philile & Sarah	Chairmanship alternates every meeting M Mngomezulu Clr M S Mnqayi	Ito ORA deputy should be union representative but LLF resolved dep chair can be a councillor	**RESOLUTION 7329 OF 14 JUNE 2011** Employer representation on the Local Labour Forum be confirmed as follows (to be confirmed by Corp Serve Portfolio) ➢ N V Gumbi ➢ M S Mnqayi ➢ N Cele ➢ L M Danisa ➢ D Merryweather ➢ L Sabelo ➢ S S Simmadhri ➢ N T Thusi City Manager · **Three members representing Management as defined in terms of Section 8.2.1.1 of the Organisational Rights Agreement:**	NO OBSERVERS AS PER RESOLUTION OF LLF ON 21 MAY 2007 **the Local Labour Forum agendas and minutes only be made available to the 12 employer representatives and the 12 employee representatives in future**	Deals with all issues related to Labour matters in terms of the ORA

PERFORMANCE AUDIT, PERFORMANCE EVALUATION PANELS

Audit Committee Carien	Mr J H de Wet Chairperson	Vacancy Mr B Mdletshe Dr N J Sibeko	Resolution 8323 of 20 Nov 2012 (TERM ENDS 31/1/2014) H Renald D Myburgh N Mthembu
Performance Audit Committee Ragini	Vacancy Chairperson	E F Mbatha (Mayor) N V Gumbi (Deputy Mayor) Dr E M S Ntombela Ms P P Sithole	RESOLUTION 8010 OF 16 Aug 2012 (terms ends after 2012/2013 financial year end REVIEWED ANNUALLY D Myburgh
Performance Evaluation Panel – Heads Of Departments (Section 57 Employees) Sarah	Acting City Manager – uMhlathuze Municipality Chairman Of Performance Audit Committee Chairman Executive Committee Municipal Manager - Uthungulu Member Of Executive Committee	N J Sibeko E F Mbatha (Mayor) N V Gumbi (Deputy Mayor) MM - UDM	RESOLUTION 7331 OF 14 JUNE 2011 D Myburgh
Performance Evaluation Panel (Municipal Manager Sarah	Mayor - uMhlathuze Municipality Member Of Executive Committee Chairman Of Performance Audit Committee Municipal Mayor - uThungulu Member Of A Ward Committee	E F Mbatha (Mayor) N V Gumbi T Mchunu TBA	RESOLUTION 7331 OF 14 JUNE 2011 D Myburgh

BOARD OF TRUSTEES

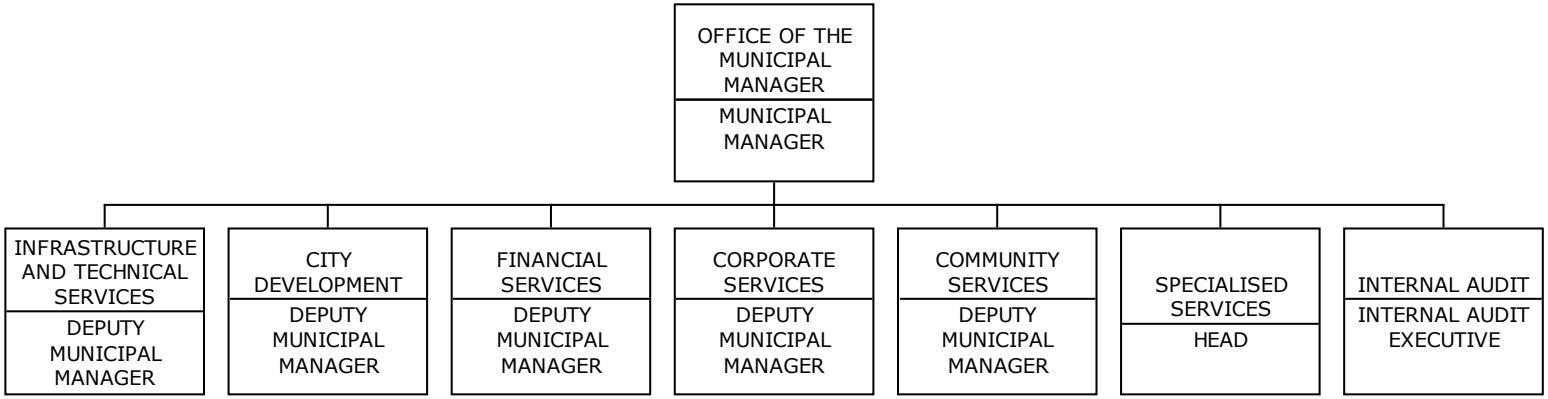
COMMITTEE	EMPLOYER REPRESENTATIVES	EMPLOYEE REPRESENTATIVES	
Board Of Trustees Ragini	M S Mnqayi B J De Lange S N Hlophe T B Ngcobo	N Visagie (Principal Officer) Z Mzulwini B Mathebula T Moamosi C le Roux Simeka – Mrs M Fennessy	RESOLUTION 7326 OF 14 JUNE 2011

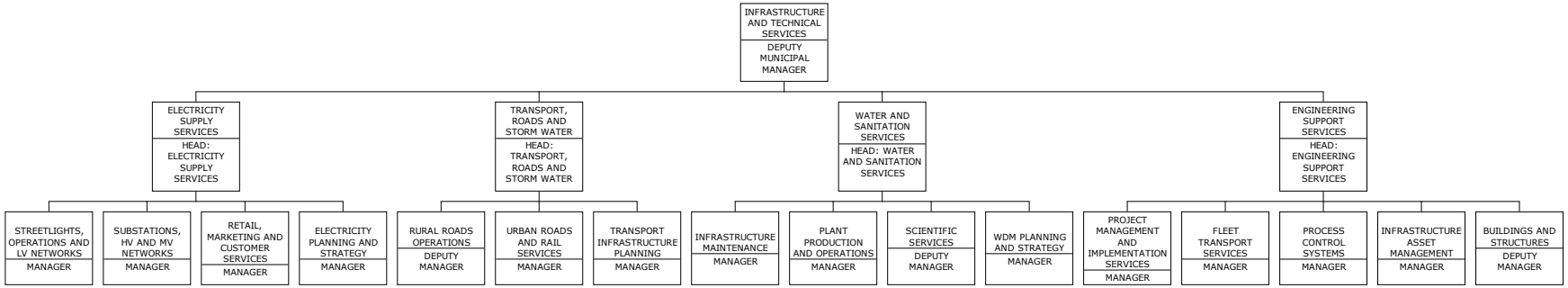
SUPPLY CHAIN MANAGEMENT COMMITTEES

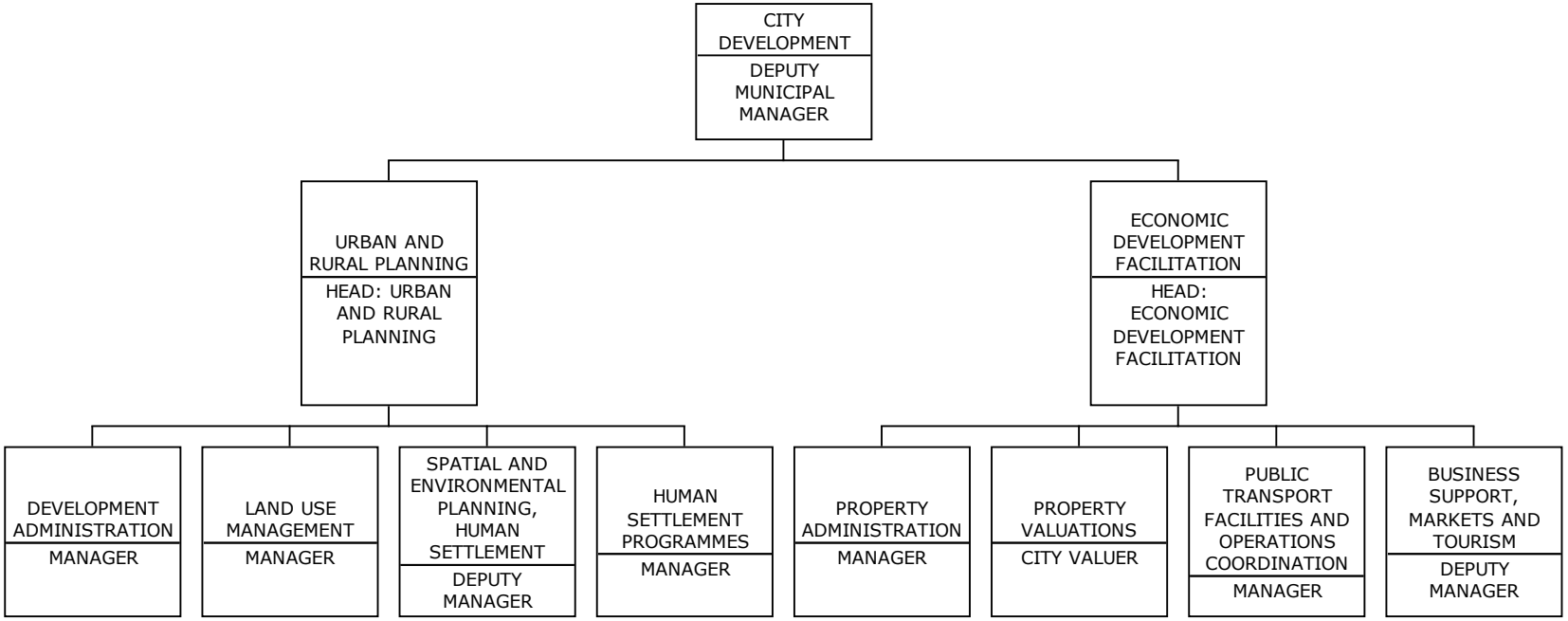
Bid Specification Committee Theresa	MR S MDAKANE - CHAIRPERSON MR N KHUMALO MS N MIYA MR T GOPANE MS H R DLADLA
Bid Evaluation Committee Carien	MRS M NDLOVU - CHAIRPERSON MR L BUTHELEZI MR T KUBHEKA MR B V NZUZA MRS S VAN WYK
Bid Adjudication Committee Philile	MR M KUNENE - CHAIRPERSON MR E L KHOZA MR S A MHLONGO MR M OLIPHANT MR Z POSWA

APPENDIX C: THIRD TIER ADMINISTRATIVE STRUCTURE

Office of the Municipal Manager




INFRASTRUCTURE AND TECHNICAL SERVICES
DEPUTY MUNICIPAL MANAGER
ELECTRICITY SUPPLY SERVICES
HEAD: ELECTRICITY SUPPLY SERVICES
TRANSPORT, ROADS AND STORM WATER
HEAD: TRANSPORT, ROADS AND STORM WATER
WATER AND SANITATION SERVICES
HEAD: WATER AND SANITATION SERVICES
ENGINEERING SUPPORT SERVICES
HEAD: ENGINEERING SUPPORT SERVICES
STREETLIGHTS, OPERATIONS AND LV NETWORKS
MANAGER
SUBSTATIONS, HV AND MV NETWORKS
MANAGER
RETAIL, MARKETING AND CUSTOMER SERVICES
MANAGER
ELECTRICITY PLANNING AND STRATEGY
MANAGER
RURAL ROADS OPERATIONS
DEPUTY MANAGER
URBAN ROADS AND RAIL SERVICES
MANAGER
TRANSPORT INFRASTRUCTURE PLANNING
MANAGER
INFRASTRUCTURE MAINTENANCE
MANAGER
PLANT PRODUCTION AND OPERATIONS
MANAGER
SCIENTIFIC SERVICES
DEPUTY MANAGER
WDM PLANNING AND STRATEGY
MANAGER
PROJECT MANAGEMENT AND IMPLEMENTATION SERVICES
MANAGER
FLEET TRANSPORT SERVICES
MANAGER
PROCESS CONTROL SYSTEMS
MANAGER
INFRASTRUCTURE ASSET MANAGEMENT
MANAGER
BUILDINGS AND STRUCTURES
DEPUTY MANAGER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DEPUTY MUNICIPAL MANAGER
URBAN AND RURAL PLANNING
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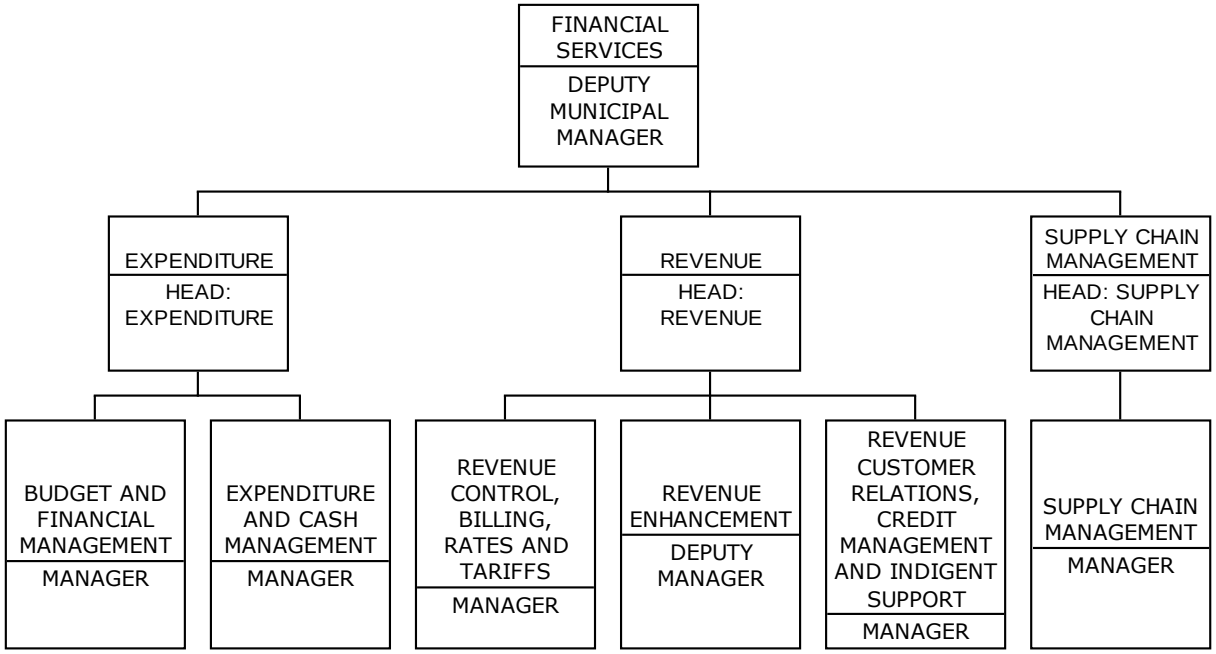
ECONOMIC DEVELOPMENT FACILITATION
HEAD: ECONOMIC DEVELOPMENT FACILITATION
DEVELOPMENT ADMINISTRATION
MANAGER
LAND USE MANAGEMENT
MANAGER
SPATIAL AND ENVIRONMENTAL PLANNING, HUMAN SETTLEMENT
DEPUTY MANAGER
HUMAN SETTLEMENT PROGRAMMES
MANAGER
PROPERTY ADMINISTRATION
MANAGER
PROPERTY VALUATIONS
CITY VALUER
PUBLIC TRANSPORT FACILITIES AND OPERATIONS COORDINATION
MANAGER
BUSINESS SUPPORT, MARKETS AND TOURISM
DEPUTY MANAGER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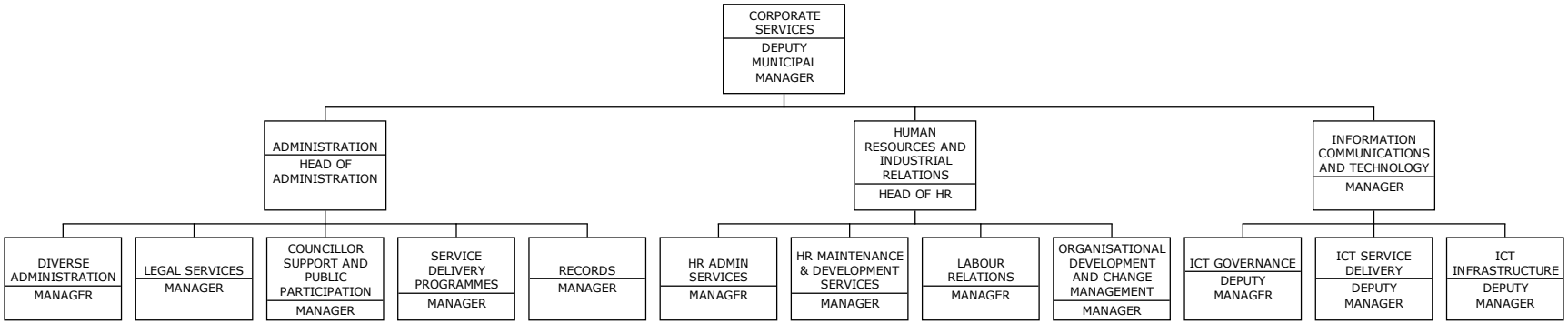
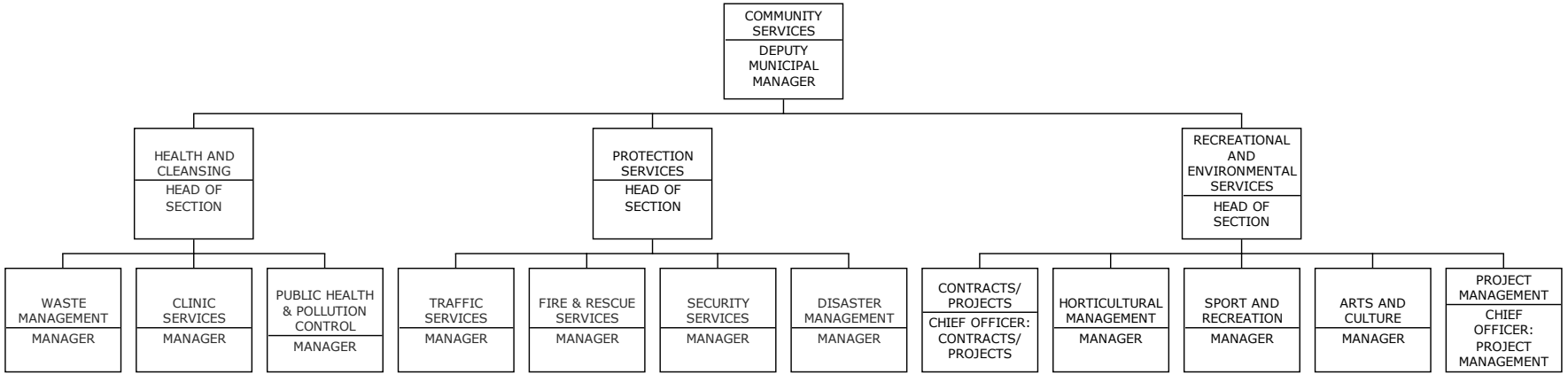
REVENUE
HEAD: REVENUE
SUPPLY CHAIN MANAGEMENT
HEAD: SUPPLY CHAIN MANAGEMENT
BUDGET AND FINANCIAL MANAGEMENT
MANAGER
EXPENDITURE AND CASH MANAGEMENT
MANAGER
REVENUE CONTROL, BILLING, RATES AND TARIFFS
MANAGER
REVENUE ENHANCEMENT
DEPUTY MANAGER
REVENUE CUSTOMER RELATIONS, CREDIT MANAGEMENT AND INDIGENT SUPPORT
MANAGER
SUPPLY CHAIN MANAGEMENT
MANAGER

Corporate Services

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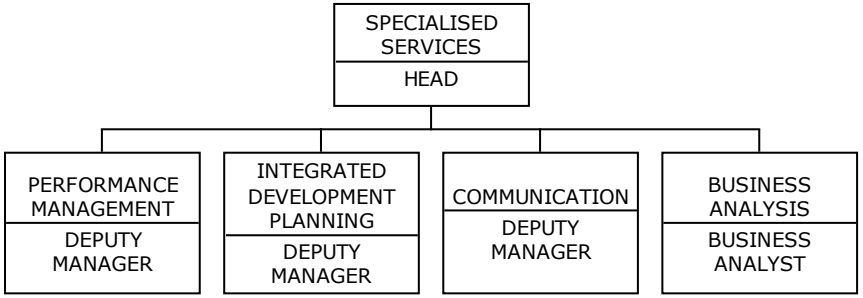
HEALTH AND CLEANSING
HEAD OF SECTION
PROTECTION SERVICES
HEAD OF SECTION
RECREATIONAL AND ENVIRONMENTAL SERVICES
HEAD OF SECTION
WASTE MANAGEMENT
MANAGER
CLINIC SERVICES
MANAGER
PUBLIC HEALTH & POLLUTION CONTROL
MANAGER
TRAFFIC SERVICES
MANAGER
FIRE & RESCUE SERVICES
MANAGER
SECURITY SERVICES
MANAGER
DISASTER MANAGEMENT
MANAGER
CONTRACTS/ PROJECTS
CHIEF OFFICER: CONTRACTS/ PROJECTS
HORTICULTURAL MANAGEMENT
MANAGER
SPORT AND RECREATION
MANAGER
ARTS AND CULTURE
MANAGER
PROJECT MANAGEMENT
CHIEF OFFICER: PROJECT MANAGEMENT


SPECIALISED SERVICES
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PERFORMANCE MANAGEMENT
DEPUTY MANAGER
INTEGRATED DEVELOPMENT PLANNING
DEPUTY MANAGER
COMMUNICATION
DEPUTY MANAGER
BUSINESS ANALYSIS
BUSINESS ANALYST

APPENDIX D: FUNCTIONS OF THE MUNICIPALITY

SERVICE DELIVERY UNIT	PROGRAMME	FUNCTIONS
Office of the Municipal Manager	Internal Audit)	Municipal Public Accounts
	Enterprize Risk Management	Risk Management
	Integrated Development Planning	Strategic Planning, Business Planning, City Development Strategies
	Performance Management	Organisational Performance Individual Performance Community Satisfaction
	Public Communications	Public Relations Media Liason Website administration
Corporate Services	Diverse Administration Services	Secretariat Services Facilities Management Switchboard
	Legal Services	Legal Support Services
	Records Management	Central Registry
Councillors	Councillor Support and Public Participation Services	Office of the Mayor Office of the Speaker Special Programmes
Public Safety and Security Services	Fire & Rescue Services	
		Fire Prevention
		Fire Training
		Fire and Rescue Operations
		Fire and Rescue Administration
	Traffic Services	
		Crime Prevention
		Licensing (Vehicles)
		Traffic Operations and Administration
		Traffic Control Room

SERVICE DELIVERY UNIT	PROGRAMME	FUNCTIONS
	Security Services (Crime Prevention and CCTV System)	
	Disaster Management	
Water and Sanitation	Plant Production and Operations	
		Plant Availability (Water and Wastewater Treatment Plants)
		Plant Availability (Pumpstations)
		Wastewater Final Effluent Quality Compliance (General Authorization March 2004 and General Standard 9225 May 1984)
		Water Treatment Final Portable Water Compliance (SANS241-2011)
	Infrastructure Maintenance	
		Water and Wastewater Network Reliability Program
		Planned Maintenance Program for all Pump stations
		Planned Maintenance Program for all Network Pipelines
		Planned Maintenance Program for all Water Meters
	Scientific Services	
		Blue and Green Incentive Based Program
		Surface Water Monitoring Program (DWA Guidelines 1996)
		Wastewater Quality Monitoring Program

SERVICE DELIVERY UNIT	PROGRAMME	FUNCTIONS
		(General Authorization 18 March 2004 / General Standard 9225 18 May 1984)
		Water Services Bylaw Compliance Program
		Online Water Quality Monitoring Program
	Water Demand Management and Strategy	
		Water Loss Management Program
		Water and Wastewater Demand Management Program
		Water Services Development Plan Annual review
		Water Services Bylaws Annual review
		Water Safety and Risk Abatement Annual Review
		Bulk Water and Wastewater Master Plan Development and Review
		Wastewater Effluent Re-Use Program
Electricity Supply Services	Streetlights, Operations and LV Networks	
		Electrical Planned Maintenance
		Reticulation, Operations and Maintenance
	Substations, HV and MV Networks	
		Electrical Protection
		Electrical Cable Faults
		Electrical Network Switching

SERVICE DELIVERY UNIT	PROGRAMME	FUNCTIONS
		Electrical Light Current
	Electricity Retail, Marketing and Customer Services	
		Electricity Retail and Auditing
		Electricity Marketing and Customer Services
	Electrical Planning and Strategy Services	
		Electrical Planning
		System Reinforcement
		Electricity Contracts
Transport, Roads and Storm water	Rural Roads Operations	
		Planned Rural Road Maintenance Program for Kwa Madlebe
		Planned Rural Road Maintenance Program for Kwa Dube
		Planned Rural Road Maintenance Program for Kwa Mkhwanazi
		Planned Rural Road Maintenance Program for Kwa Khoza
		Planned Maintenance Program for all Pedestrian Bridges
		Construction of New Culverts and Bridges
		Management and Monitoring Program for all Rural Road Mining Operations
	Urban Roads and Railway Services	
		Planned Urban Road Maintenance Program (North)
		Planned Urban Road Maintenance

SERVICE DELIVERY UNIT	PROGRAMME	FUNCTIONS
		Program (South)
		Planned Urban Road Maintenance Program (West)
		Planned Rail Maintenance Program for all Urban Areas
		Planned Urban Road Maintenance Resealing Program for all Urban Areas
		Planned Urban Road Marking & Signage Program(All Areas)
	Transport Infrastructure Planning and Strategy	
		Transport Infrastructure Plan Development and/or Annual Review
		Traffic Management Studies Program (All Areas)
		Transport Master Plan (Urban, Rural and Rail)
	Storm Water Systems , Catchment and Coastal Management	
		Storm water Management Bylaw Annual Review
		Storm water Drains Planned Maintenance Program
		Catchment Management Program
		Coastal Management Program
	Public Transport Operations	
		Road Side Furniture Development Program

SERVICE DELIVERY UNIT	PROGRAMME	FUNCTIONS
		Public Transport Integration Program
		Public Transport Master Plan Program
Health and Cleansing	Solid Waste Management	
		Waste Management Inland
		Waste Management Coastal
		Waste Management Administration
	Primary Health (Clinic Services)	
		Clinic Services - Empangeni
		Clinic Services - Richards Bay
		Occupational Health
	Public Health and Pollution Control	
		Environmental Health Coastal
		Environmental Health Inland
		Air Pollution Control and Environmental Impact
Engineering Support Services	Engineering Projects Management and Implementation	
		Electrical Projects Implementation Program
		Civil Engineering Projects Implementation Program
		Mechanical Projects Implementation Program
		Capital Project Funding Program
	Fleet Management Services	
		Fleet Planned Maintenance Program
		Equipment and Small Plant

SERVICE DELIVERY UNIT	PROGRAMME	FUNCTIONS
		Planned Maintenance Program
		Vehicle Utilization and Optimization Program
		Vehicle Replacement Program
	Process Control Systems	
		Planned Maintenance Program (Telemetry and Scada Systems)
		Planned Maintenance Program (Instrumentation)
		Planned Maintenance Program (Radio Engineering)
		Master Plan Development and/or Review (Process Control Systems)
	Municipal Infrastructure Asset Management	
		GIS Management Program
		Integrated Infrastructure Plan Program (Development & Review)
		Maintenance Plans Program Management
		Technical Operations Center Management Program
		Engineering Document Management Program
	Municipal Buildings and Structures	

SERVICE DELIVERY UNIT	PROGRAMME	FUNCTIONS
		Planned Building Maintenance Program (Civils)
		Planned Building Maintenance Program (Electrical)
		Planned Building Maintenance Program (Mechanical)
		Planned Structures Maintenance
		Building Construction and New Works Program
Recreation and Environmental Services	Horticultural Management	
		Biodiversity (Cemeteries) and Conservation
		Operations management
	Sport & Recreation	
		Recreational Facilities Management
		Sport and Recreation Development
	Arts and Culture	
		Public Libraries
		Museum
		Community Halls and Thusong Centres
	Recreational Projects Management	
	Horticultural Contracts Management	
Local Economic Development	Community Capacity Building & Training	
	Business Support	
	Development & Support of markets	
	Economic Facilitation	
	Marketing & Tourism Development	
Urban and Rural Planning	Land Use Management (LUMS)	

SERVICE DELIVERY UNIT	PROGRAMME	FUNCTIONS
		Building Management and Control
		Planning and Development Evaluation
		Development Control, Appeals and Consent use
		Surveys, Analysis, Data, Research and GIS information
	Spatial and Environmental Planning	
	Development Administration	
	Human Settlement Programmes	
Economic Development Facilitation	Property Administration	
	Property Evaluations	
	Business Support, Markets and Tourism	
		Tourism
		Business Support and Markets
		Investment Promotion
	Public Transport Facilities and Operations Coordination	
Human Resource and Industrial Relations Services	Personnel Administration, Recruitment and Placement	
	Personnel Maintenance and Development	
		SHE Risk Management
		Training Development and Education
		Employee wellness
	Labour Relations Management	
	Organisation Development and Change Management	
Information, Communications and Technology Services	ICT Governance	
	ICT Service Delivery	
	ICT Infrastructure	
Expenditure	Budget and Financial Management	
		Budget and Financial Control

SERVICE DELIVERY UNIT	PROGRAMME	FUNCTIONS
		Annual Financial Statements, Assets, Reporting and Loans
	Expenditure and Cash Management	
		Creditors Management
		Payroll and Policy Management
Revenue	Revenue Control, Billing, Rates and Tariffs	
		Rates, Non-Metered Services, Cash Control
		Revenue Control, Tariff Design, Budget and Reporting
		Billing, Metered Services, System Tariff Administration and Reporting
	Revenue Enhancement	
		Metered Services
		Sundry Services
	Revenue Customer Relations, Credit Management and Indigent Support	
		Branch Management and Community Liaison
		Customer Relations and Indigent Support
Supply Chain Management	Demand and Acquisitions	
	Stores Control	
	Logistics and Supply Chain Management Risk	

APPENDIX E: WARD REPORTING

BACKGROUND

The Constitution of the Republic of South Africa, 1996 places an obligation on Local Government to encourage the involvement of communities and community organizations in the matters of local government.

Section 152 (1) of the Constitution says that the object of local government is -

"(e) to encourage the involvement of communities and community organisations in the matters of local government and that (2) a municipality must strive, within its financial and administrative capacity, to achieve the objects set out in subsection (1)."

Chapter 4, Section 4 of the Local Government Structures Act 117 of 1998 (LGSA), as amended, explains that the object of Ward Committees is to enhance participatory democracy in Local Government.

DISCUSSION

The Department of Cooperative Governance and Traditional Affairs (Cogta) has undertaken an assessment on the functionality of Ward Committees in the Province, which aims at adding value to the Ward Committee System. The assessment done by Province has shown that municipal current approach is quantitative rather than qualitative and therefore does not allow for the development of meaningful intervention strategies to ensure that the programme meets its objectives.

Appendix E :The Functions of Ward Committees

The role of Ward Committee Members is the facilitation of local community participation in decisions which affect the local community and the municipality as a whole, the articulation of local community interest and the representation of this interest within the government system. Ward Committees are representing different sectors in the Ward depending on the Ward diversity, thus they can play a critical role but are not limited to in the following:

- The preparation, implementation and review of Integrated Development Plans (IDP's).
- The establishment, implementation and review of a municipality's Performance Management System.
- Monitoring and review of a municipality's performance.
- Preparation of a municipality's budget.
- Decision making about the provision of municipal services.
- Communication and dissemination of information.
- Serve as a specialised participatory structure in the municipality.
- Create unbiased and cooperative communication channels.
- Receive complaints and queries from residents concerning municipal service delivery, communicate it to Council and provide feedback to the community on Councils response.
- Ensure constructive and harmonious interaction between the Municipality and the community by coordinating Ward residents meetings and other community development forums and organisations on matters affecting the Ward.
- Conduct research into the circumstances prevailing in the Ward in regard to service delivery, availability of amenities, level of poverty, HIV/AIDS, counseling services, crime statistics etc.
- Conduct outreach programmes so that it can interact with community groups and ensure that the concerns and plight of these groups are addressed by the Council.
- Interact with other forums to ensure that the committee keeps abreast of what is happening in its Ward in respect of issues that may have been initiated through other departments and that are being driven by particular stakeholder / groups.
- Guide and advise residents on the manner in which their problems could be resolved.

- Information on municipal services and programmes should be provided by the designated municipal officials and government programmes should be provided by the Community Development Workers.
- Coordinate Ward Programmes of Council, where the Municipality is required to inform, involve and consult with the community.
- Attend to all meetings, campaigns, Izimbizo, Operation Mbo in the Ward as well as the one organised by the municipality and any other government sphere.
- Attend Operation – Sukuma Sakhe (OSS) meetings in a War Room to take and drive the issues raised by the community.
- Attend to any other matter that affects the Ward.

The above functions could be achieved as the Municipality has 300 Ward Committee Members. Each Ward out of 30 Wards has 10 representatives.

Sector of Community representation is covered in the attendance register.

Reports submitted by the committees.

Monthly reports ward committee reports and quarterly public meetings reports are submitted to the Councillor's Support and Public Participation Office. Workshop for all ward committee members on the new functionality reporting system was held in December 2014, where we had an Ward Committee Annual Review Session. We anticipate that Jan to March reports will be in the new format.

APPENDIX F: WARD INFORMATION

CITY OF UMHLATHUZE WARD COMMITTEE MEMBERS ATTENDANCE REGISTER WARD 1

	Date ……2014 Dms 915563	**Contact Number**	**Portfolio /Sector**	**Gender**	**Signature**
Clr	F G Bosman	0824685254	Chairman	Male	
1	Khoza Thabani Jetro late		Bi election on the 5 Feb 2014		
2	Zulu Jabulani Isaac	0836829222	Business sector	Male	
3	Mwandla Sphesihle Joyful	0835184913	Sport s and Recreation	Male	
4	Van Zyl Martha Maria	0824424319	Senior citizens	Female	
5	Macfarlane John Justin	0829233332	Rates Payers	Male	
6	Bosman Vida Stephanie	0736352558	Secretary	Female	
7	Buthelezi Paulo's	0765555800	Employment	Male	
8	Zulu Thulani Eric	0725378199	Youth	Male	
9	Mthethwa Dumsane	0764641601	Public Transport	Male	
10	Maxwell Vezi	0828922861	Faith Based	Male	

CITY OF UMHLATHUZE WARD COMMITTEE MEMBERS ATTENDANCE REGISTER WARD 2

	Date ……2014 Dms 915563	**Contact Number**	**Portfolio /Sector**	**Gender**	**Signature**
Clr	A Viljoen	0824984216	Chairman	Male	
1	Schmal Agnesia	0736755620		Female	
2	Sedice Robin Anthony	0834615764		Male	
3	Koogje Rhona Louisa	0828836321		Female	
4	Scates - Wood Bridget	0834413666		Female	
5	Khulu Clifford	0727799887		Male	
6	Andreson Cecilia	0834171245		Female	
7	Dennis Botha	0836521611		Male	
8	Savides Andrew David	0723920511		Male	
9	Kearns Rynie	0834413752		Female	

	Date …….2014 Dms 915563	Contact Number	Portfolio /Sector	Gender	Signature
10	Sagras Simmadhri	0834691179		Male	

CITY OF UMHLATHUZE WARD COMMITTEE MEMBERS ATTENDANCE REGISTER WARD 3

	Date …….2014 Dms915563	Contact Number	Portfolio /Sector	Gender	Signature
Clr	D Merryweather	0834252508	Chairman	Male	
1	Trollip Jonathan	0825544838	Infrastructure & Technical Services	Male	
2	Lourens Sharon	0845819165	Corporate Services	Female	
3	Mhlongo Sipho	0785776346	City Development	Male	
4	Hibbert Norman	0734476632	Finance	Male	
5	De Korte Particia	0836542625	Community Services	Female	
6	Swanepoel Mario	0847888021	City Development	Female	
7	Pretorius Johan	0723503889	Infrastructure & Technical Services	Male	
8	Mhlongo Njabulo	0767548982	Transport	Male	
9	A Samshuyzen	0832771628	Health	Male	
10	S J Merryweather	0839739135	Safety and Security	Female	

CITY OF UMHLATHUZE WARD COMMITTEE MEMBERS ATTENDANCE REGISTER WARD 4

	Date …….2014 Dms915563	Contact Number	Portfolio /Sector	Gender	Signature
Clr	N M Madondo	0733632712	Chairman	Male	
1	Cele Fikile	0837400718	Safety	Female	
2	Nkwanyana Bongani	0731363563	Youth Secretary	Male	
3	Gumede Nokuthula	0787976369	Health	Female	
4	Mabuyakhulu Phumlani	0732769251	Education	Male	
5	Mthethwa Lindelani	0738910772	Infrastructure	Male	

	Date …….2014 Dms915563	Contact Number	Portfolio /Sector	Gender	Signature
6	Ntombela Nobuhle	0799037461	Transport	Female	
7	Hlongwane Sifiso	0737771496	Senior Citizen	Male	
8	Meyer Tracy	0832457130	Social (Socio-Economic)	Female	
9	Shange Thabi	0766832843	Economic/Environment	Female	
10	Mthembu Eric	0795864368	(OSS) Sukuma Sakhe	Female	

CITY OF UMHLATHUZE WARD COMMITTEE MEMBERS ATTENDANCE REGISTER WARD 5

	Date …….2014 Dms915563	Contact Number	Portfolio /Sector	Gender	Signature
Clr	S H Zulu	0736567216	Chairman	Male	
1	Zulu Mbongeleni	0734006142	Safety	Male	
2	Biyela Lungile	0764856982	Ngo's	Female	
3	Mthethwa Thulebona	0736861970	Disaster	Male	
4	Ntuli Reginah	0731596864	Transport	Female	
5	Ngema Dlokwakhe Mj	0825127443	Projects	Male	
6	Nkosi Sabelo	0733184010	Sports	Male	
7	Wanda Thabsile	0731721369	Health	Female	
8	Nsele Thulani	0824331241	Transport	Male	
9	Mthethwa Nokukhanya	0739465499	Education	Female	
10	Hlekwayo Hilton S	079745183 incomplete	Education / Agriculture	Male	

CITY OF UMHLATHUZE WARD COMMITTEE MEMBERS ATTENDANCE REGISTER WARD 6

	Date ……2014 Dms915563	**Contact Number**	**Portfolio /Sector**	**Gender**	**Signature**
Clr	D Ndimande	0734798776	Chairman	Male	
1	Msweli Nonhlanhla Shongani	0734223454	Communication	Female	
2	Ngema Nomsa Emeld	0729281052	Education Facilitator and coordinator	Female	
3	Nyawo Nozipho Zabuya	0789864752	Religious coordinator	Female	
4	Mdamba Thandeka	0788592999	Health Services	Female	
5	Mthethwa Sakhamuzi Phumlani	0839619492	Community Development and youth development	Male	
6	Manqele Mabutho Jabulani	0839438366	Community development	Male	
7	Mhlanga Sipho Jonathan	0763870735	Transport	Male	
8	Magcaba Sphamandla	0843380898	Sport development	Male	
9	Zuma Thobeka	0793406588	Business and infrastructure	Female	
10	Zungu Vusi	0783512829	Community and safety	Male	

CITY OF UMHLATHUZE WARD COMMITTEE MEMBERS ATTENDANCE REGISTER WARD 7

	Date ……2014 Dms915563	**Contact Number**	**Portfolio /Sector**	**Gender**	**Signature**
Clr	W M Radebe	0760113760	Chairman	Male	
1	Khuzwayo Vusumuzi	0837145218	Education Sector	Male	
2	Ndwandwe Sithembiso	0722281259	Welfare Organization	Male	
3	Dlamini Zodwa Kholiwe	0794781021	Health Sector	Female	
4	Biyela Ntombizodwa	0791445402	Rates and Civic	Female	
5	Tembe Dumsani	0720457350	Crime and Safety	Male	
6	Zulu Nonhlanhla	0829628834	Women and Children	Female	

	Date ……2014 Dms915563	Contact Number	Portfolio /Sector	Gender	Signature
7	Kuzani Bongiwe	0732300792	Business and Social Development	Female	
8	Gumede Bongani	0818859941	Religious and Faith	Male	
9	Manqele Thembani Celani	0731107765	Traditional and Culture	Female	
10	Tembe Squmama Wayne	0760741796	Youth Development and Sport	Male	

CITY OF UMHLATHUZE WARD COMMITTEE MEMBERS ATTENDANCE REGISTER WARD 8

	Date ……2014 Dms915563	Contact Number	Portfolio /Sector	Gender	Signature
Clr	S B Xaba	08373496651	Chairman	Male	
1	Mthethwa Sonto	0784152142	Health and Social Develop	Female	
2	Nyawo Nonhlanhla	0725925381	Health and Social Develop	Female	
3	Gumede Ernest	0736026788	Rate payers	Male	
4	Madide Khanyisile	0769159771	Rate payers	Female	
5	Mpanza Winnie Nompumelelo	0781504076	Education and informal traders	Female	
6	Ndlovu Ndodo Sibusiso	0780128794	Youth Sports and Recreation	Male	
7	Msomi Zephania Themba	0737744535	Transport	Male	
8	Gumede Muhle Mosses	0786600846	Community Develop and civic ass	Male	
9	Myeni Bongumusa Siphamandla	0794128236	Safety and Security	Male	
10	Mkhwanazi Sindi Cynthia	0712824214	Women and Religious	Female	

CITY OF UMHLATHUZE WARD COMMITTEE MEMBERS ATTENDANCE REGISTER WARD 9

	Date ……..2014 Dms915563	**Contact Number**	**Portfolio /Sector**	**Gender**	**Signature**
Clr	E Palmer	0834096887	Chairman	Male	
1	Nene Ntombi	0833350717	Social Welfare	Female	
2	Mbatha Nonhlanhla	0785708190	Agriculture	Female	
3	Luthuli Nonjabulo	0728047575	Sports & Recreation	Female	
4	Ngcobo Ntombeziningi	0836834333	Transport	Female	
5	Masuku Siphindile	0731606728	Housing	Female	
6	Ntuli Anele	0823435655	Sports	Male	
7	Ntuli Nombulelo	0726939043	Agriculture	Female	
8	Khuzwayo Njabulo	0731085775	Housing	Male	
9	Mngomezulu Reginah D	0829330366	Health	Female	
10	Mngomezulu Sheila	0732707845	General	Female	

CITY OF UMHLATHUZE WARD COMMITTEE MEMBERS ATTENDANCE REGISTER WARD 10

	Date ……..2014 Dms915563	**Contact Number**	**Portfilio /Sector**	**Gender**	**Signature**
Clr	E J B Dube	0717236456	Chairman	Male	
1	Mthembu Thembinkosi	0720440705	Educ & Professional	Male	
2	Mnqayi Elphas Sphiwe	0732752113	Faith Based Seat	Male	
3	Mkhwanazi Zethu	0724099285	Public Transport	Female	
4	Dube Vincent Mbongeni	0721806619	Safety & Security	Male	
5	Mnguni Sakhule Vernord	0730299772	Informal Traders Ass	Male	
6	Nsele Nkosinathi	0836566126	Farmers (small & Comm)	Male	
7	Mkhwanazi Thabsile	0723405047	Social Develop & Health	Female	
8	Mbambo Winnie	0844576643	Senior Citizen	Female	
9	Qulo Thembi	0829650224	Youth	Female	
10	Nsele Londiwe	0785894459	Women Seat	Female	

CITY OF UMHLATHUZE WARD COMMITTEE MEMBERS ATTENDANCE REGISTER WARD 11

	Date ……..2014 Dms915563	**Contact Number**	**Portfolio /Sector**	**Gender**	**Signature**
Clr	M E Mhlongo	0722484859	Chairman	Male	
1	Mahlambi M Zandile	0722111518	Deputy Chair	Male	
2	Ntombela Madlenkosi	0768264953	Sports	Male	
3	Zibane Ntombenhle	0839780478	Secretary	Female	
4	Mhlongo Manqoba	0729471375	Churches	Male	
5	Mattie Gladys	0736566211	Agriculture	Female	
6	Mhlongo Matendane	0781806036	Churches	Male	
7	Mthethwa Thembani	0722738382	Projects	Female	
8	Mpanza Oscar	0829451084	Projects	Male	
9	Ngobese Buza Gerald	0724439318	Sports	Male	
10	Zikhali Eunice	0727253299	Crèches	Female	

CITY OF UMHLATHUZE WARD COMMITTEE MEMBERS ATTENDANCE REGISTER WARD 12

	Date ……..2014 Dms915563	**Contact Number**	**Portfolio /Sector**	**Gender**	**Signature**
Clr	John Cele	0769274849	Chairman	Male	
1	Mthembu Elvis John	0733498331	Housing	Male	
2	Ncube Perseverance	0738532284	Welfare	Female	
3	Shabalala Sipho Sonnyboy	0738372825	Housing	Male	
4	Hlophe Zibuse Bheki	0730506968	Welfare	Male	
5	Madondo Fikelephi Nomusa	0793671863	Transport	Female	
6	Gumede Mbongeni Bennedict	0739108858	Sports	Male	
7	Mtshali Jabulani	0710112845	Water & Sanitation	Male	
8	. Mbambo Jabulani Themba	0839838069	Transport	Male	
9	Dube Zodwa Goodness	0838974333	Water & Sanitation	Female	
10	Willows Phumzile Janet	0737835326	Sports	Female	

CITY OF UMHLATHUZE WARD COMMITTEE MEMBERS ATTENDANCE REGISTER WARD 13

	Date …….2014 Dms915563	**Contact Number**	**Portfolio /Sector**	**Gender**	**Signature**
Clr	C S Kweyama	0731105847	Chairman	Male	
1	Shozi Ntombizonke	0730139976	Senior Citizen	Male	
2	Hlongwane S Mabanga	0781641158	Youth	Male	
3	Mthembu Amos	0734027833	Education	Male	
4	Khanyile Thembekile	0769972777	Health	Female	
5	Hadebe Jackson	0781148667	Transport	Male	
6	Mbatha Thabile	0837311588	Sports	Female	
7	Sithole Philile	0834648650	Welfare	Female	
8	Sabela Zandile	0737813303	Ngo's	Female	
9	Maphumulo Falakhe	0726753684	Water and Sanitation	Female	
10	Mthembu George	0826631149	Housing	Male	

CITY OF UMHLATHUZE WARD COMMITTEE MEMBERS ATTENDANCE REGISTER WARD 14

	Date …….2014 Dms915563	**Contact Number**	**Portfolio /Sector**	**Gender**	**Signature**
Clr	M Khumalo	0765370643	Chairman	Male	
1	Xaba Nonhlanhla	0734054945	Econ Dev & Women	Female	
2	Gabela John	0838615386	Human Settlement	Male	
3	Mthethwa Muzi	0714267729	Youth Dev & Sports	Male	
4	Mthembu Nonstikelelo	0710590470	Rural sanitation /rds,waste manag	Female	
5	Msimanga Joel	0768893068	Rural rds,waste manag & infrustructure	Male	
6	Ntuli Sinenhlanhla	0730644263	Social Development	Female	
7	Majola Eric	0784017269	Rural Sanitation, art & culture, entertainment	Male	
8	Mkhize Nonhlanhla	0733878676	Transport & health	Female	
9	Mhlongo Khulekani	0766395058	Human Settlement Safety & Security	Male	

CITY OF UMHLATHUZE WARD COMMITTEE MEMBERS ATTENDANCE REGISTER WARD 15

	Date ……2014 **Dms915563**	**Contact Number**	**Portfolio /Sector**	**Gender**	**Signature**
Clr	S Nsibande	0726725473	Chairman	Male	
1	Sibisi Nomsa Qinisile	0783278029	Women	Female	
2	Masango Dumsane	0837289531	Education	Male	
3	Mthembu Judas	0724558297	Safety & Security	Male	
4	Mkhize Tholakele	0731250404	Rate Payers	Female	
5	Myeni Sibongakonke	0724701758	Business Sector	Male	
6	Khoza Hlengiwe	0719638718	Youth	Female	
7	Mlambo Derrick	0783303005	Social Development and Health	Male	
8	Mthiyane Sibongile Nana	0782511315	Senior Citizen	Female	
9	Myeni Jabulisiwe Qhamu	0766143549	Public Transport	Female	
10	Gumede Musawenkosi	0711176045	Faith Based Org	Male	

CITY OF UMHLATHUZE WARD COMMITTEE MEMBERS ATTENDANCE REGISTER WARD 16

	Date ……2014 **Dms915563**	**Contact Number**	**Portfolio /Sector**	**Gender**	**Signature**
Clr	N R Cele	0769274849	Chairlady	Female	
1	Mngoni Sihle	0742480842	Water Projects	Male	
2	Madonsela Nkosinathi	0839456336	Human settlement & Sanitation	Male	
3	Ntuli Mzobanzi Godfrey	0724446544	Safety & Security	Male	
4	Ngubane Phumlani Mbuyiseni	0780124053	Sports & Recreation	Female	
5	Khanyile Ntombenhle	0729546237	Faith & Women	Female	
6	Cele Philadephia Lungile	0832041512	Gender (secretary)	Female	
7	Sithole Owen	0727251867	Environmental Issues	Male	
8	Mthethwa Samukelisiwe Faith	0823600201	Roads	Female	
9	Vacant				
10	Mtshali Phindile Clara	0797480283	Elecricity/ Transport	Female	

CITY OF UMHLATHUZE WARD COMMITTEE MEMBERS ATTENDANCE REGISTER WARD 17

	Date …….2014 Dms915563	**Contact Number**	**Portfolio /Sector**	**Gender**	**Signature**
Clr	G Nkosi	0829660772	Chairlady	Female	
1	Dube Octavia	0745245043	Health	Female	
2	Radebe Cebolenkosi	0826908262	Religious	Male	
3	Sibiya Bheki Richard	0724828900	Disability	Male	
4	Mkhize Phumzile	0825024015	Education	Female	
5	Jiyane Sebenzile	0832077798	Welfare	Female	
6	Dlamini Khethiwe	0760543714	Women's and Children	Female	
7	Mzimela Sboniso	0838656100	Youth	Male	
8	Msweli Jabu	0739452762	Business & Finance	Female	
9	Mngomezulu Siyabonga	0838817046	Transport & Sports	Male	
10	Gumbi Class	0835181079	Safety & Security	Male	

CITY OF UMHLATHUZE WARD COMMITTEE MEMBERS ATTENDANCE REGISTER WARD 18

	Date …….2014 Dms915563	**Contact Number**	**Portfolio /Sector**	**Gender**	**Signature**
Clr	S S Mthiyane	0734125410	Chairman	Male	
1	Dindi Sfiso Samuel	0762663896	Education and Housing	Male	
2	Ntshangase Jabulisiwe	0877960995	Housing and Road	Female	
3	Sabela Nokuthula	0845430428	Sanitation and Welfare	Female	
4	Nxumalo Nkosiyakhe	0736059194	Water and Road	Male	
5	Shezi lindiwe	0746882886	Health and Home Affairs	Female	
6	Gabela Beatrice Fikile	0827338017	Health and Sanitation	Female	
7	Nxumalo Goodman	0721128526	Education and Transport	Male	
8	Mbambo Xolani	0738026702	CPF and Sports	Male	
9	Gasa Xolani	0712836106	CPF and Sports	Male	
10	Khumalo Ritta	0788168266	Welfare	Female	

CITY OF UMHLATHUZE WARD COMMITTEE MEMBERS ATTENDANCE REGISTER WARD 19

	Date …….2014 Dms915563	**Contact Number**	**Portfolio /Sector**	**Gender**	**Signature**
Clr	L M Danisa	0724071103	Chairlady	Female	
1	Luthuli Emmanuel Sifiso	0760529943	Health	Male	
2	Khumalo Princess N	0766886198	Sassa	Female	
3	Jali Mable	0763829525	Sports	Female	
4	Mdlalose Nduduzo	0728573123	Youth	Male	
5	Ngcobo Derrick Z	0823904208	Welfare	Male	
6	Sibiya Lindeni	0723070294	Traditional Authorities	Female	
7	Makhathini Dudu	0787284088	Transport	Female	
8	Mahlangu David	0833531302	DSD	Male	
9	Mncube Bonginkosi	0829206801	Religious and Transport	Male	
10	Ngubane Willie	0732481618	Traditional Healers	Male	

CITY OF UMHLATHUZE WARD COMMITTEE MEMBERS ATTENDANCE REGISTER WARD 20

	Date …….2014 Dms915563	**Contact Number**	**Portfolio /Sector**	**Gender**	**Signature**
Clr	B C Mthembu	0722566660	Chairlady	Female	
1	Khumalo Thandeka	0762011113	Youth	Female	
2	Sithole Ntombisekhaya	0794077973	Health	Female	
3	Zulu Thabile	0726126934	Education	Female	
4	Cebekhulu Muziwakhe	0736069140	Water and Sanitation	Male	
5	Mbuyisa Walter	0769759030	Transport	Male	
6	Khumalo Rhoda	0715986571	Housing	Female	
7	Sibisi Ntombilezi	0732218583	Senior Citizens	Female	
8	Khumalo Dudu	0734461945	Faith and Religious	Female	
9	Gwala Thembi	0739538449	Sports and Recreation	Female	
10	Chiliza Emmanuel	0769138343	Safety and Security	Male	

CITY OF UMHLATHUZE WARD COMMITTEE MEMBERS ATTENDANCE REGISTER WARD 21

	Date …….2014 **Dms915563**	**Contact Number**	**Portfolio /Sector**	**Gender**	**Signature**
Clr	M Mbokazi	0721428154	Chairman	Male	
1	Mbokazi Brenda	0799200396	Health Services	Female	
2	Biyela Sithembiso	0827088365	Sports and Recreation	Female	
3	Nzuza Thokozile	0763970691	Religious /Faith	Female	
4	Dhladhla Duduzile	0735037398	Women's &Traditional Affairs	Female	
5	Mbatha Allan	0721966774	Social Development	Male	
6	Vacant				
7	Madlopha Ednah	0784199879	Transport	Female	
8	Hlophe Eugen	0835582230 0720127197	Secretary	Male	
9	Mbatha Nomagugu	0765676325	Youth and Business	Female	
10	Nkosi Alfred	0735896008	Safety and Security	Male	
11					

CITY OF UMHLATHUZE WARD COMMITTEE MEMBERS ATTENDANCE REGISTER WARD 22

	Date …….2014 **Dms915563**	**Contact Number**	**Portfolio /Sector**	**Gender**	**Signature**
Clr	M W Mthenjana	0727378430	Chairman	Male	
1	Mbanjwa Siyabonga	0826956922	Youth	Male	
2	Khumalo Dudu	0835653126	Health	Female	
3	Mlambo Lucy	0710042405	Senior Citizen	Female	
4	Dubazana Thembekile	0738084252	Social Development	Female	
5	Dube Thokozani	0715015177	Sports	Male	
6	Zikhali Noloyiso	0796767877	Religious Sector	Female	
7	Ntuli Thoko	0729087031	Education	Female	
8	Ngema Dudu	0738933010	Transport	Female	
9	Chili Christopher	0733308772	Safety and Security	Male	
10	Mkhwanazi Alexander	0833614056	Senior Citizen & People with Disability	Male	

CITY OF UMHLATHUZE WARD COMMITTEE MEMBERS ATTENDANCE REGISTER WARD 23

	Date ……..2014 Dms915563	**Contact Number**	**Portfolio /Sector**	**Gender**	**Signature**
Clr	A de Lange	0833217844	Chairman	Male	
1	King Shelly	0839896278	Education	Female	
2	Mackay Kenneth	0826599044	Health	Male	
3	Dlamini Phila	0786965527	Safety and Security	Male	
4	Ntuli Ngcebo Shadrack	0731733791	Youth	Male	
5	Mbongeleni Johannes Dlamini	0837583508	Transport	Male	
6	Mthenjana Nokuthula Rosemary	0836887877	Welfare	Female	
7	Peyters Raymond Gerald	035-7723095	Senior Citizen	Male	
8	Magnificent Goba	0782957370	Water and Sanitation	Male	
9	Vahed A		Agriculture	Male	
10	Tlou S		Infrastructure	Male	

CITY OF UMHLATHUZE WARD COMMITTEE MEMBERS ATTENDANCE REGISTER WARD 24

	Date ……..2014 Dms915563	**Contact Number**	**Portfolio /Sector**	**Gender**
Clr	G M Mkhize	0725255789	Chairlady	Female
1	Mbatha Zakhele	0784804127	Youth Sector	Male
2	Buthelezi Mavis	0769352089	Water and Sanitation	Female
3	Majola Siphiwe	0734901371	Religious Sector	Female
4	Ntimbane Zakhele	0781218450	Rural Roads	Male
5	Makhathini Thembinkosi	0833429694	Transport and Crime	Male
6	Makhathini Thandi Zodwa	0822090818	Health	Female
7	Mkhasibe Gugu	0829661829	Education	Female
8	Shandu James	0834899276	Community Safety	Male
9	Biyela Samalia	0787372607	Senior citizen	Female
10	Ngubane Mfanafuthi	0726487745	Sport and recreation	Male

CITY OF UMHLATHUZE WARD COMMITTEE MEMBERS ATTENDANCE REGISTER WARD 25

	Date …….2014 **Dms915563**	**Contact Number**	**Portfolio /Sector**	**Gender**	**Signature**
Clr	B T Mthiyane	0835033827	Chairman	Male	
1	Mathe Thamsanqa	0730530159 0767170846	Road & Transport	Male	
2	Mkhwanazi Khethiwe	0732120447	Education and Training	Female	
3	Sithole Sibusiso	0849491163	Youth Development	Male	
4	Mbili Sindisiwe	0733665439	Women's, Children & Disability	Female	
5	Sibisi Mandlakayise	0726585854	Safety and Security	Male	
6	Zungu Thembinkosi	0798720984	Infrastructure development	Male	
7	Myeni Yolanda	0724563098	Health & Welfare	Female	
8	Mdletshe Bhekinhlanhla	0783851164	Ward Economic development	Male	
9	Mnguni Thembelizayo	0797327780	Agriculture	Female	
10	Ntuli Vusi	0727005967	Culture, Sport & Secretion	Male	

CITY OF UMHLATHUZE WARD COMMITTEE MEMBERS ATTENDANCE REGISTER WARD 26

	Date …….2014 **Dms915563**	**Contact Number**	**Portfolio /Sector**	**Gender**	**Signature**
Clr	Clr A S Dawood	0829242730	Chairman		
1	Heath Shella	0766147284	Housing	Female	
2	Mkhize Sbusiso Maxwell	0769832929	Welfare and Education	Male	
3	Mfeka Thokozane Penelope	0822144333	Sports & Transport	female	
4	Ngcobo Phumelele Promise	0733076561	General Services , Water&Snaitation	Female	
5	Ndlazi Dumsani	0826275128	Safety and Security	Male	
6	Muthusamy	0765868992	Housing	Male	
7	Saravan Kalayvany	0797170626	secretary	Female	
8	Govender Rebekah	0724264703	Safety and Security	Female	
9	Govender Ray	0833304825	Welfare and Education	Male	
10	Saravan dan Perumal	0842525507	General Services , Water&Snaitation	Male	

CITY OF UMHLATHUZE WARD COMMITTEE MEMBERS ATTENDANCE REGISTER WARD 27

	Date …….2014 Dms915563	**Contact Number**	**Portfolio /Sector**	**Gender**
Clr	L B Shangase	0720607165	Chairlady	Female
1	Mpanza Bongokuhle	0833255653	Crime, Health ,Environment &Funerals	Female
2	Khanyile Ntuthuko	0761725420	Education,Health,Environment&Funerals	Male
3	Goqo Prisca	0728435206	Health,Environment,&Funerals	Male
4	Mfeka Nokwazi	0829595833	Gradening,Health,Environment&Funerals	Female
5	Ntuli Bheki	0788626470	Education,Transport,Health,Environment & Funerals	Male
6	Ntuli Sifiso	0780767212	Health,Environment &Funerals	Male
7	Mthethwa Sanele	0787295567	Sports,health,Environment&Funerals	Male
8	Mtshali Thulani Aurther	0735143699		Male
9	Biyela Thabisile	0732041768	HIV AIDS,CCGS,Health,Environment& Funerals	Female
10	Nxumalo Nkosinomusa	0834225792	Transport,Health,Environment & Funerals	Female

CITY OF UMHLATHUZE WARD COMMITTEE MEMBERS ATTENDANCE REGISTER WARD 28

	Date …….2014 Dms915563	**Contact Number**	**Portfolio /Sector**	**Gender**
Clr	P M Ntanzi	0835243685	Chairman	Male
1	Myeni Doreen	0734683962	Welfare	Female
2	Mthethwa Mandla	0727415632	Safety & Security	Male
3	Kunene Thandi	0787352556	Health	Female
4	Mbatha Thulani	0792276091	Transport	Male
5	Mafuleka Dominic	0795958979	Coordinator of all portfolios	Male
6	Cele Dumile	0721897445	Economic Development	Female
7	Xulu Enock	0733015562	Agriculture	Male
8	Gumede Sphelele	0733242453	Youth Development	Male
9	Ntombela Bonisiwe	0730454368	Women Development	Female
10	Giladile Zwelethemba	0735336520	Sports	Male

CITY OF UMHLATHUZE WARD COMMITTEE MEMBERS ATTENDANCE REGISTER WARD 29

	Date …….2014 Dms915563	**Contact Number**	**Portfolio /Sector**	**Gender**	**Signature**
Clr	Prince Mthunzi Mathenjwa	0839565583	Chairman	Male	
1	Gumede Lindokuhle Sipho	0739563863	Deputy Secretary	Male	
2	Mngomezulu Nkosinathi Simiso	0733316111	Transport & Sport	Male	
3	Khoza Bakhonzelenkosini	0761565601	Education	Male	
4	Mdletshe Bonisiwe Nelezi	0727685838	Social Development	Female	
5	Makhaye Basil Sizwe	0728154164	Infrastructure	Male	
6	Sibiya Sdudla Thandazile	0796254965	Agriculture	Female	
7	Dube Ntombikayise	0782677592	Education	Female	
8	Zulu Mandlenkosi	0839859860	Community Safety & Security	Male	
9	Mkhize Florence Mary	0725509789	Secretary	Female	
10	Dludla Ntozakhe Nono	0843047804	Traditional Affairs	Male	

CITY OF UMHLATHUZE WARD COMMITTEE MEMBERS ATTENDANCE REGISTER WARD 30

	Date …….2014 DMS 915563	**Contact Number**	**Portfolio /Sector**	**Gender**	**Signature**
Clr	D J Xulu	0836971913	Chairman	Male	
1	Mhlongo Zanele	0768456812	CPF & Ward Secrecy	Female	
2	Wyne Boy	0766491841	Transport & Housing	Male	
3	Mthembu Ebbie	0826226636	Traditional Affairs & Women Issues	Female	
4	Cele Nonkululeko	0728331433	Agriculture	Female	
5	Nsele Welcome	0736009772	Sports & Recreation	Male	
6	Mbatha Octavia Nokulunga	0731967117	Safety & Security	Female	
7	Ndlamlenze Nondumiso	0731398316	Agriculture	Female	
8	Makhwasa Xolisile	0844632784	Education and Traditional Affairs	Female	
9	Manda Sthembiso	0742827535	Youth Seat	Male	
10	Ndlovu Xolani Njabulo	0846412126	Housing & Sports	Male	

APPENDIX G: AUDIT COMMITTEE REPORT

The Honourable Speaker
Council of the City of uMhlathuze
Civic Centre
Mark Strasse
Richards Bay
3900

Dear Sir

REPORT OF THE AUDIT COMMITTEE TO COUNCIL

The Audit Committee of the City of uMhlathuze has pleasure in submitting its ninth report to the Council of the City of uMhlathuze. This report is submitted in terms of the provisions of sections 121(3)(j), 166(2)(b) and 166(2)(c) of the Municipal Finance Management Act of 2003 ("the MFMA") and covers the financial year from 1 July 2013 to 30 June 2014 except where otherwise stated.

Members

1. The following persons served as members of the Audit Committee for the year under review:

   S Nkonzombi – Chairperson (appointed 01 February 2014)

   PC Oosthuizen

   Ms Z P Khanyile (appointed 01 February 2014)

   Mr Oosthuizen, served as Chairperson of the Performance Audit Committee and as such represented the Audit Committee on the Performance Audit Committee.

Overview of activities

2. The Audit Committee had four formal meetings during the period covered by this report. The Audit Committee therefore complied with the provisions of section 166(4)(b) of the MFMA which requires the Audit Committee to meet at least four times per year.

3. The meeting dates and attendance at these meetings were as follows:

Name	29 August 2013	21 November 2013	28 March 2014	25 June 2014
JM de Wet (Out-going Chairperson)	✓	✓	X	X
B Mdletshe (Term ended)	X	✓	X	X
PC	✓	✓	✓	✓

Name	29 August 2013	21 November 2013	28 March 2014	25 June 2014
Oosthuizen				
S Nkonzombi (Chairperson)	X	X	✓	✓
Ms Z P Khanyile	X	X	✓	✓

4. Set out below is a summary of the matters which were dealt with at the Audit Committee meetings:
   - The Internal Audit Plan for the 2013/2014 financial year was considered and approved;
   - Council's draft Enterprise Risk Management Policy document was considered and commented upon;
   - The recommendations and guidance contained in Guideline 65 which was issued by National Treasury during November 2012 was considered and is dealt with in more detail below;
   - At each of the meetings, reports from the internal auditors on work done by them in terms of the approved audit plan, was tabled, discussed and approved;
   - At each meeting a progress report of actual work done as measured against the Internal Audit Plan, was considered;
   - At each meeting feedback was received and considered relating to critical ICT issues and related risks;
   - Attention was given to Council's Performance Management System by considering reports from Council's Performance Management Committee.

Report

5. For purposes of executing its statutory duties as contained in section 166(2)(a) of the MFMA as well as its mandate as set out in the Audit Committee Charter, the Audit Committee relies on the work done by internal audit. The internal audit function is overseen and co-ordinated by the Chief Audit Executive who is a Council employee. In executing her mandate, the Chief Audit Executive was assisted by the following contracted firms of professional service providers:
   - SAB & T Business Innovation Group (1 October 2013 to 30 June 2014); and
   - Umnotho Business Consulting (November 2012 to September 2013).

   Umnotho Business Consulting was replaced as internal audit service providers by SAB & T Business Innovations Group during the year end.

6. In order to be able to rely on the work performed by internal audit, the Audit Committee has to satisfy itself that the quality and scope of the work performed by internal audit is sufficient to be able to place the necessary reliance thereon. This requires that the internal auditors should be able to do their work without any restrictions and that the internal auditors are, at all times, fully independent. It is the view of the Audit Committee that the work performed by internal audit is of a high standard, that it is properly planned and controlled and that the reporting is detailed and comprehensive. There is also sufficient evidence that internal audit findings are discussed with the responsible officials and that implementation of corrective measures that have been agreed upon, is followed up regularly. Consequently we have no hesitation in relying on the work performed by internal audit for purposes of executing our mandate. We are therefore in a position to advise Council that as far as matters relating to internal financial control, the

adequacy, reliability and accuracy of financial reporting, performance management and evaluation, effective governance and compliance with the MFMA and other relevant legislation are concerned, the internal audit reports considered by the Committee have not revealed any material issues that may compromise any of these functions or responsibilities. This comment should however be read with our concerns and recommendations which are dealt with in paragraph 10.

7. Section 166(2)(b) of the MFMA requires the Audit Committee to "review the annual financial statements to provide the council of the municipality with an authoritative and credible view of the financial position of the municipality, its efficiency and effectiveness and its overall level of compliance with this Act, the annual Division of Revenue Act and any other applicable legislation". For these purposes, the Audit Committee relies on the work performed by the Auditor-General during its audit of the financial statements of the municipality.

8. The members of the Audit Committee reviewed the financial statements and the report of the Auditor General for the year ended 30 June 2014 and can report as follows:

Auditor General's report on the financial statements

8.1 The Auditor-General's report on the financial statements has been noted. In this regard it is pleasing to note that the Auditor-General expressed an unqualified audit opinion on the financial statements for the year ended 30 June 2014. Emphasis of matter items relating to significant water and electricity losses in the amount of R25.09m, material under-spending of its municipal infrastructure grant in the amount of R213m was noted.

Auditor General's report on other legal and regulatory requirements

8.2 The Auditor General also reported on other legal and regulatory requirements for the year ended 30 June 2014. The Auditor General reported the following:

- 25.4% of planned targets were not achieved mainly because of the under-spending in the municipal infrastructure grant. This matter is also the subject of an investigation into alleged misconduct which is still in progress.

Comment on the financial statements for the year ended 30 June 2014

8.3 An overview of the financial performance of Council for the year ended 30 June 2014 is set out in the table below.

Financial performance for the year ended 30 June 2014

	Comment	**2014** **R000**	**2013** **R000**
1	Financial performance		
	Total income	2 494 312	2 040 655
	Total expenditure	2 296 407	2 092 075
	Surplus/(Deficit) for the year	197 905	(51 420)
	Surplus for the year has been generated compared to previous year deficit as a result of an increase in total revenue of 22% vs an increase in expenditure of 9%.		
	Comment	**2014** **R000**	**2013** **R000**
2	Positive cash flow from operating activities	467 448	359 594
	Council achieved positive cash generation from operating activities after the removal of non-cash items (primarily depreciation).		
3	Revenue from property rates and service charges	1 897 405	1 609 426
	Percentage increase	*18%*	*14%*
4	Revenue from government grants	357 616	253 530
	Percentage increase	*41%*	*9%*
5	Employee costs	480 990	437 126
6	Bulk purchases	1 051 626	937 247
	Percentage increase	*12%*	*12%*

Financial position at 30 June 2014

	Comment	2014 R000	2013 R000
1	Net assets *Reduction as a result of the surplus for the year*	3 677 468	3 487 271
2	Cash and cash equivalents *Increase primarily due to positive cash flow from operating activities*	404 509	242 775
3	Trade receivables before provision for bad debts *Percentage increase*	348 539 *33%*	262 463 *28%*
4	Provision for bad debts *There seems to have been a deterioration in collections which is evidenced by the increase in trade receivables (see 3 above) which required an increase in the bad debt provision*	(86 223)	(23 000)
5	Ratio of current assets to current liabilities *This ratio, which is an indicator of liquidity, has improved marginally from the previous year which indicates that Council has made further progress in overcoming the cash flow challenges experienced previously*	1.3:1	1.1:1
6	Percentage overspending of final approved operating expenditure budget	15.4%	11.8%
7	Percentage under-spending of final approved capital expenditure budget	36.2%	50.7%
8	Percentage under-spending of conditional grants received	25.4%	64.6%

9. Insofar as the provisions of section 166(2)(c) of the MFMA are concerned, we can report that, in our opinion, there are no issues raised by the Auditor General in the audit report which require Council's specific attention.

Reporting and disclosure

10. The preparation of Council's annual financial statements is governed by various International Financial Reporting Standards, Generally Recognised Accounting Standards and Generally Accepted Municipal Accounting Standards. In addition, there are a number of financial reporting requirements issued by National Treasury which have to be complied with. In spite of the substantial compliance burden which these standards require, Council's Treasury Department managed, as in the previous financial year, to comply with these standards to the satisfaction of the Auditor General and Treasury should, in our view, be congratulated with this achievement. Future compliance with financial reporting standards will however continue to place severe strain on existing financial capacity and infrastructure. It is therefore crucial that Council acknowledge the importance of maintaining and improving its financial capacity to meet this ongoing challenge.

Guideline 65

10.1 During November 2012, National Treasury issued Guideline 65 under the Municipal Finance and Management Act of 2003 titled *Internal Audit and Audit Committee.* The stated purpose of this guide was to assist municipalities in improving the effectiveness of internal audit and their Audit Committees. The Audit Committee devoted considerable time to the recommendations contained in this document which resulted in the following outcomes:

- The Audit Committee Charter and the Internal Audit Charter was redrafted in order to more accurately reflect the proposals and principles contained in Guideline 65, and
- The Guideline appeared to recommend that municipalities with a separate Performance Audit Committee should combine this committee and the Audit Committee into one committee. This recommendation caused considerable debate within the municipality and culminated into the Chairpersons of the Audit Committee and Performance Audit Committee being requested to engage with National Treasury to obtain clarity on this matter. This was duly done and the respective Chairpersons issued a report dated 5 June 2013 in which a recommendation was made that the current status quo be retained and that the Audit Committee and Performance Audit Committee continue to function as two separate committees with the proviso that the Performance Audit Committee report to the Audit Committee as the Audit Committee has final responsibility for performance management.

Internal audit issues

10.2 The main function of the Audit Committee is to receive and consider reports from Internal Audit in which their findings on work done in terms of the approved Internal Audit Plan are recorded. For purposes of completeness, the process which is typically followed when a specific area is selected for audit, is as follows:

- A pre-scoping meeting is held with the HOD and other senior officials of the relevant department in which the audit objectives and outcomes are discussed;
- A scoping document is then prepared which is approved by the relevant HOD;

- Fieldwork commences. During this process regular interaction with relevant officials takes place;
- After completion of the fieldwork a draft report is prepared for discussion with the HoD and senior officials. The purpose of this discussion is to iron out any errors or differences of opinion and to obtain managements' comments and implementation commitments;
- These reports are collated on a quarterly basis and presented to the Municipal Manager and other senior officials for discussion and final approval;
- These approved reports are then tabled at the next Audit Committee meeting for discussion.

10.3 Because of the above procedure and the fact that the Audit Committee only meets on a quarterly basis, the time line from initiation of an audit cycle to final reporting is very long and, as a result, some urgency with the addressing of identified problem areas is lost. It is, however, conceded that the interaction between Internal Audit and officials during the fieldwork stage has a lot of value and compensates to a degree for the lost benefits associated with the long reporting time line.

Conclusion

11 The implementation and maintenance of proper systems of internal control, the prevention of fraud and error, the safeguarding of the assets of the municipality and compliance with relevant laws and regulations, are Council's responsibility. The role of the Audit Committee is to monitor the efficiency of the procedures and mechanisms which Council has put in place in order to ensure that its policies and procedures are adhered to. We can report that, taking into account the exceptions noted above and based on the reports submitted to us, that our overall impression is that the systems and procedures implemented by council are operating efficiently.

12 We also wish to take the opportunity to thank the Municipal Manager and his officials for their hard work and the dedication they display to their duties and their positive interaction with the Audit Committee.

Yours faithfully

S Nkonzombi

Chairman – Audit Committee

16 January 2015

APPENDIX H: LONG TERM CONTRACTS AND PUBLIC PRIVATE PARTNERSHIP

Type of agreement	Duration	Value
Memorandum of Agreement	15 Jan 2014 (Termination by notice)	Empangeni Invasive Alien Species Control Programme
Memorandum of Agreement	1 June 2013 - 31 May 2016	R 1 000,00
Service Agreement	7 Nov 2013 (Termination by notice)	Provision of services portion 165 of Erf 5333 R/Bay
Funding Agreement	31 July 2013 (Termination by notice)	Basic water supply services
Service Level Agreement	1 April 2013 - 31 March 2014	R 36 605 000,00
Memorandum of Agreement	1 July 2013 - 30 June 2014	R 6 566 000,00
Agreement of Financial Sopport	31 Jan (Termination by notice)	Graduate Program/ Grant
Memorandum of Agreement	20 June 2012 (Termination by notice)	Workplace skills development

APPENDIX I: MUNICIPAL ENTITY/SERVICE PROVIDER PERFORMANCE SCHEDULE

STRATEGIES, GOALS AND OBJECTIVES

The following tables provide a summary of the municipal strategies, goals and objectives

NATIONAL KPA: GOOD GOVERNANCE AND PUBLIC PARTICIPATION	
STRATEGY 1: GOOD GOVERNANCE	
GOALS	**OBJECTIVES**
1. Democratic, responsible, transparent, objective and equitable municipal governance	○ Effective and efficient municipal structure that is resourced to fulfil roles and responsibilities ○ Implement “Batho Pele” principles ○ Effective and efficient community participation mechanisms and processes
2. Compliance with relevant legislation and policies	○ Preparation of credible and implementable Integrated Development Plan ○ Compilation of “SMART” Organisational Performance Management ○ Records Management ○ Occupational health and safety processes and procedures in place ○ Develop required policies, procedures and registers ○ Legal vetting of contracts ○ Internal and External Audit
3. Uninterrupted service delivery	○ Improved relationship between management and labour ○ Provision for service delivery during industrial action
4. Public Safety and Security and protection of Council property	○ Provision of security, fire, rescue and traffic services ○ Provision of Disaster Management Services ○ Policy against fraud, corruption, theft, misuse and damage to Council property by members of the public and officials

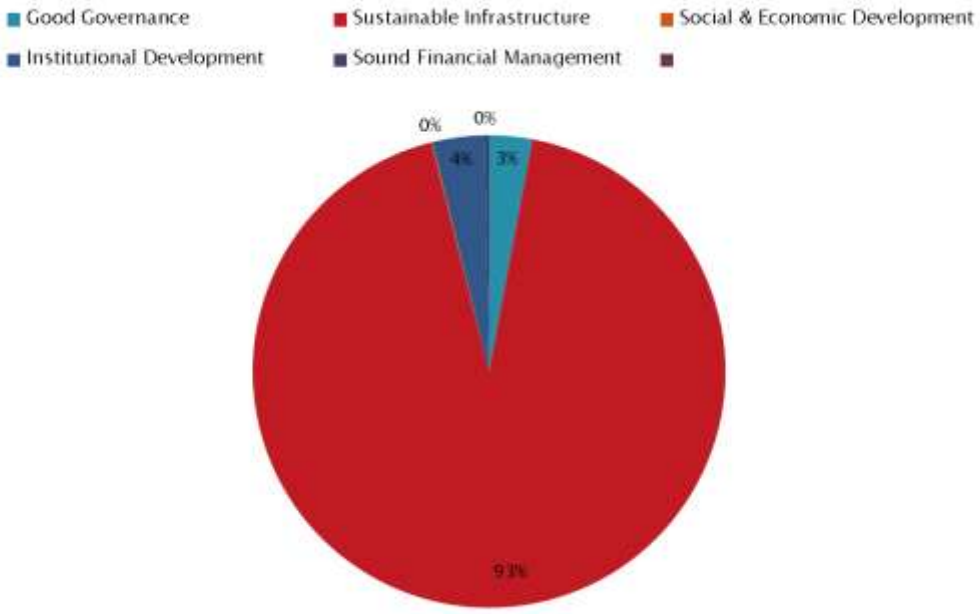
NATIONAL KPA: BASIC SERVICE DELIVERY AND INFRASTRUCTURE PROVISION	
STRATEGY 2: SUSTAINABLE INFRASTRUCTURE AND SERVICE DELIVERY	
GOALS	**OBJECTIVES**
1. Efficient and integrated infrastructure and services	○ Provision of water, sanitation, transport and electrical infrastructure ○ Ensure Quality control measures in respect of Municipal Services ○ Stormwater systems and management ○ Infrastructure Maintenance ○ Council Fleet and asset management ○ Promote development densification for efficient and cost effective provision of services ○ Improvements to Public Transport facilities and infrastructure ○ Promote pedestrian friendly environment
2. Compliance with legislation, policies and guidelines	○ Planning for provision of water, sanitation, transport and electrical infrastructure in line with relevant government legislation and policies ○ Development of asset registers for management and maintenance purposes
3. Integrated urban and rural development	○ Identify and plan areas for future development ○ Development of Integrated Human Settlements ○ Promote development densification for cost effective provision of services
4. Effective project management	○ Ensure completion of projects within time and budget constraints
5. Environmental Sustainability	○ Coastal management ○ Investigate alternative energy sources and the recycling of resources ○ Support environmental sustainable developments ○ Solid waste management ○ Develop a good relationship with relevant stakeholders in order to promote sustainable development ○ Implementation of relevant COP17/CMP 7 agreements

NATIONAL KPA: LOCAL ECONOMIC DEVELOPMENT	
STRATEGY 3: SOCIAL AND ECONOMIC DEVELOPMENT	
GOALS	**OBJECTIVES**
1. Safe and Healthy Living Environment	○ Provision of health facilities and services ○ Provision of a safe and clean environment ○ Solid waste management ○ Horticultural management
2. Social Cohesion	○ Provision of community and sports facilities and services, arts and culture
3. Create environment conducive for economic growth and development	○ Implement LED plan/strategy ○ Land Use Management ○ Promotion of tourism ○ Support to informal economy and SMME sector ○ Identification and planning of priority nodes and corridors ○ Property evaluation and administration ○ Public Transport coordination ○ Review and implementation of Tourism strategy/plan

NATIONAL KPA: MUNICIPAL INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION	
STRATEGY 4: INSTITUTIONAL DEVELOPMENT	
GOALS	**OBJECTIVES**
1. Municipality resourced and committed to attaining the vision and mission of the organization	○ Appropriate organizational climate to attract and retain appropriate skills ○ Development and appropriate training and assistance to employees ○ Clean and secure working environment ○ Improved relationship between management and labour
2. Appropriate communication and Technology Services	○ Improve inter-departmental communication and cooperation within Municipality ○ Improve external communication ○ Innovative Information Management Systems ○ Appropriate ICT infrastructure, processes and procedures
3. Manage ethnic and religious diversity	○ Implement “Batho Pele” principles ○ Promote synergistic partnership with relevant stakeholders

Capital Funding per IDP Strategy

Strategy 1: Good Governance	7 574 000	3
Strategy 2: Sustainable Infrastructure and Service Delivery	239 132 100	93
Strategy 3: Social and Economic Development	200 000	0
Strategy 4: Institutional Development	9 120 100	4
Strategy 5: Sound Financial Management	789 000	0
TOTAL	**256 815 200**	**100**



APPENDIX K (I): REVENUE COLLECTION PERFORMANCE BY VOTE

REVENUE COLLECTION PERFOMANCE BY VOTE		
VOTE DESCRIPTION	**ACTUAL 2011/2012**	**ACTUAL 2012/2013**
Vote 1 - City Development	10832081	16904368
Vote 2 - Community Services Health & Public Safety	14135206	15756920
Vote 3 - Community Services Recreation & Environment	39492124	46267545
Vote 4 - Corporate Services Human Administration	2020675	2439708
Vote 5 - Corporate Services Human Resources	5189084	5635877
Vote 6 - Financial Services	237750050	393611015
Vote 7 - Infrastructure & Technical Services - Electrical Supply Services	904480071	1189944893
Vote 8 - Infrastructure & Technical Services - Water & Sanitation Services	340192719	53882020
Vote 9 - Infastructure & Technical Services Transport,Roads & stormwater	95275637	103678633
Vote 10 - Infrastructure & Technical Services - Engineering Support Services	14799273	13311718
Vote 11 - Office of the Municipal Manager	268113	71160
	1 664 435	**1 841 504**

APPENDIX K (II): REVENUE COLLECTION PERFORMANCE BY SOURCE

			2012/2013	
REVENUE COLLECTION PERFOMANCE BY SOURCE	**ACTUAL 2011/2012**	**ACTUAL 2012/2013**	**Original Budget**	**Adjusted Budget**
Revenue By Source				
Property rates	204 614	238 007	231 260	238 260
Property rates - penalties & collection charges	–	–	–	–
Service charges - electricity revenue	966 962	1 091 706	1 077 000	1 093 000
Service charges - water revenue	134 008	158 637	159 445	152 265
Service charges - sanitation revenue	59 702	66 946	69 300	67 800
Service charges - refuse revenue	46 088	52 520	51 300	52 100
Service charges - other	18 483	12 472	14 084	14 993
Rental of facilities and equipment	16 133	16 860	6 130	15 204
Interest earned - external investments	4 012	14 499	1 648	3 954
Interest earned - outstanding debtors	1 639	1 778	1 317	1 601
Dividends received	–	–	–	–
Fines	3 005	10 550	2 052	11 412
Licences and permits	1 831	1 933	1 686	1 883
Agency services	5 922	6 093	5 300	5 800
Transfers recognised - operational	183 050	137 890	204 891	204 991
Other revenue	13 129	31 612	12 655	13 262
Gains on disposal of PPE	5 857	–	–	–
Total Revenue (excluding capital transfers and contributions)	**1 664 435**	**1 841 504**	**1 838 068**	**1 876 525**

APPENDIX L: CONDITIONAL GRANTS RECEIVED: EXCLUDING MIG

				VARIANCE		MAJOR CONDITIONS APPLIED BY DONOR
DETAIL OF GRANT	**BUDGET**	**ADJUSTMENT BUDGET**	**ACTUAL**	**BUDGET**	**ADJUSTMENT BUDGET**	
Finance Management	1 500 000	1 500 000	904 000	-0,40	-0,40	This grant is used to promote and support reforms in financial management by building capacity in municipalities to implement the Municipal Finance Management Act (MFMA). An amount of R 596 000 was withdrawn by National Treasury for the 2010/2011 allocation.
Municipal Systems Improvement	800 000	800 000	11 000	-0,99	-0,99	This grant is used to assist municipalities to perform their functions and stabilise institutional and governance systems as required in the Municipal Systems Act (MSA) and related legislation. An amount of R 789 000 was withdrawn by National Treasury for the 2010/2011 allocation.
Infrastructure Skills Development	3 000 000	3 000 000	3 000 000	-	-	This grant is used to strengthen capacity of local government to effectively and efficiently deliver quality infrastructure by increasing the pool of skills available, to facilitate lifelong learning and the transfer of knowledge and skills to municipalities.
Energy Efficiency and Demand Side Management	8 000 000	8 000 000	8 000 000	-	-	The grant is to be used to implement Energy efficiency and Demand Side management (EEDSM) initiatives within municipal infrastructure in order to reduce electricity consumption and improve energy efficiency.
Expanded Public Works Programme Integrated	1 000 000	1 000 000	1 000 000	-	-	This grant is used to incentivise municipalities to expand work creation efforts through the use of

				VARIANCE		MAJOR CONDITIONS APPLIED BY DONOR
DETAIL OF GRANT	**BUDGET**	**ADJUSTMENT BUDGET**	**ACTUAL**	**BUDGET**	**ADJUSTMENT BUDGET**	
						labour intensive delivery methods in compliance with EPWP Guidelines.
Provincial Health Subsidies	9 311 000	9 311 000	4 842 400	-0,48	-0,48	This grant is used exclusively to fund clinic services.
Extension to Richards Bay Airport	-	-	1 763 629	100,00	100,00	This grant is used for the expenditure incurred at the airport.
Tourism Development - COGTA	-	3 500 000	3 500 000	100,00	-	This grant is used for Corridor Development projects
Informal traders and stalls - COGTA	-	4 000 000	4 000 000	100,00	-	This grant is used for Corridor Development projects
Massification Grant	-	-	2 000 000	100,00	100,00	This grant is used for the eSikhaleni Water systems investigation.
Hostels - Dept of housing	8 925 000	8 925 000	20 000 000	1,24	1,24	This grant is used in the refurbishment of various hostels.
Housing subsidy	-	-	2 803 555	100,00	100,00	This subsidy is used for the housing operating account.
Library Subsidy - Public Internet Access	619 800	619 800	619 800	-	-	This grant is used to appoint library computer assistants at various libraries.
Library Subsidy	2 784 000	2 784 000	2 784 000	-	-	This subsidy is used towards the current staffing and operational costs of the libraries.
Museum Subsidy	134 000	134 000	134 000	-	-	This subsidy is used in the daily running of the Empangeni museum.
Environmental Health Subsidy	4 603 259	4 603 259	4 603 259	-	-	This subsidy is used for environmental health services
Bus Shelters and Laybyes - uThungulu District Council	-	-	207 384	100,00	100,00	Funds were received for the construction of Bus shelters and laybyes

APPENDIX M(I): CAPITAL EXPENDITURE – NEW ASSETS PROGRAMME

R	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL
Infrastructure			
Infrastructure-Road transport	21 510	21 320	6 782
Roads, Pavements & Bridges	21 510	21 320	6 782
Storm water	-	-	-
Infrastructure-Electricity	10 300	17 500	3 993
Generation	-	-	-
Transmission & Reticulation	8 000	15 700	3 366
Street lighting	2 300	1 800	627
Infrastructure-Water	2 605	4 840	3 412
Dams & Reservoirs	-	-	-
Water Purification	-	-	-
Reticulation	2 605	4 840	3 412
Infrastructure-Sanitation	56 156	36 781	32 115
Reticulation	56 156	36 781	32 115
Sewerage Purification	-	-	-
Infrastructure-Other	1 200	20	-
Waste Management	1 200	20	
Transportation	-	-	
Gas	-	-	
Other	-	-	
Community	60	60	36
Parks & Gardens	-	-	-
Sport fields & Stadia	-	-	-
Swimming Pools	-	-	-
Community Halls	-	-	-
Libraries	60	60	
Recreational facilities	-	-	36
Fire, Saftey & emergency	-	-	-
Security & Policing	-	-	-
Buses	-	-	-
Clinics	-	-	-
Museums & Art Galleries	-	-	-
Cemeteries	-	-	-
Social Rental Housing	-	-	-
Other	-	-	-
	-	-	-
Heritage Assets	-	-	-
Buildings			
Other			
Investment properties	-	-	-
Housing development	-	-	-
Other	-	-	-

R	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL
Other assets	9 995	11 301	6 448
General vehicles	2 000	558	1 501
Specialised vehicles	6 795	-	-
Plant & equipment	-	631	788
Computers - hardware/equipment	-	1 114	1 024
Furniture and other office equipment	389	402	520
Abattoirs	-		-
Markets	-		-
Civic Land and Buildings	81	4 234	2 479
Other Buildings	495	4 072	136
Other Land	235	290	-
Surplus Assets - (Investment or Inventory)	-	-	-
Other	-	-	-
Agricultural assets	-	-	-
Biological assets	-	-	-
Intangibles	-	2 500	61
Computers - software & programming	-	2 500	61
Other (list sub-class)			
Total Capital Expenditure on new assets	**101 826**	**94 322**	**52 847**
Specialised vehicles	6 795	-	-
Refuse	6 795	-	-
Fire	-	-	-
Conservancy	-	-	-
Ambulances	-	-	-

APPENDIX M(II): CAPITAL EXPENDITURE – UPGRADE/RENEWAL PROGRAMME

R	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL
Infrastructure	**67 927**	**92 330**	**28 025**
Infrastructure-Road transport	1 650	6 156	964
Roads, Pavements & Bridges	1 650	6 156	964
Storm water			
Infrastructure-Electricity	16 616	32 105	12 599
Generation			
Transmission & Reticulation	15 165	29 654	11 289
Street lighting	1 451	2 451	1 310
Infrastructure-Water	37 634	48 077	11 088
Dams & Reservoirs			
Water Purification			
Reticulation	37 634	48 077	11 088
Infrastructure-Sanitation	12 027	5 892	3 374
Reticulation	12 027	5 892	3 374
Sewerage Purification			
Infrastructure-Other	-	100	-
Waste Management	-	100	-
Transportation	-	-	
Gas	-	-	
Other	-	-	
Community	**14 518**	**17 230**	**9 637**
Parks & Gardens	100	100	-
Sport fields & Stadia	1 240	876	569
Swimming Pools	215	599	487
Community Halls	2 500	2 611	1 546
Libraries	595	544	227
Recreational facilities	-	3 500	125
Fire, Saftey & emergency	-	-	
Security & Policing	40	75	
Buses	-	-	-
Clinics	-	-	-
Museums & Art Galleries	-	-	-
Cemeteries	903	-	637
Social Rental Housing	8 925	8 925	6 046
Other	-	-	
Heritage Assets	-	-	-
Buildings			
Other			
Investment properties	**-**	**-**	**2 258**
Housing development			
Other			2 258

R	ORIGINAL BUDGET	ADJUSTED BUDGET	ACTUAL
Other assets	**15 213**	**27 185**	**16 905**
General vehicles	3 950	8 020	5 095
Specialised vehicles	2	2 372	872
Plant & equipment	5 046	5 452	3 241
Computers - hardware/equipment	2 996	4 707	4 903
Furniture and other office equipment	1 045	1 248	2 000
Abattoirs	-		-
Markets	-		-
Civic Land and Buildings	1 650	3 651	160
Other Buildings	24	1 192	634
Other Land	500	543	-
Surplus Assets - (Investment or Inventory)			-
Other			-
Agricultural assets	-		
	-	-	-
Biological assets			
Intangibles	6 999	2 480	5 364
Computers - software & programming	6 999	2 480	5 364
Other (list sub-class)			
Total Capital Expenditure on new assets	**104 657**	**139 225**	**62 189**
Specialised vehicles	2	2 372	872
Refuse	2	-	
Fire	-	2 372	872
Conservancy			
Ambulances			

APPENDIX N: CAPITAL PROGRAMME BY PROJECT CURRENT YEAR

FUNCTION	PROJECT DESCRIPTION	ACTUAL 2012/2013
BUDGET & TREASURY OFFICE Total	COMPUTER HARDWARE Total	13 350
	FURNITURE AND OTHER OFFICE EQUIPMENT Total	121 200
	INTANGIBLES Total	60 500
		195 050
COMMUNITY & SOCIAL SERVICES Total	CIVIC CENTRE ROOFING AND WATER PROOFING Total	263 870
	COMPUTER HARDWARE Total	128 894
	EMPANGENI HALL Total	640 860
	EMPANGENI LIBRARY CARPET REPLACEMENT Total	130 700
	EXTENSIONDEVELOPMENT OF ESIKHALENI CEMETERY Total	147 000
	EXTENSIONDEVELOPMENT OF RICHARDS BAY CEMETERY Total	490 127
	FURNITURE AND OTHER OFFICE EQUIPMENT Total	990 904
	GOBANDLOVU HALL Total	394 974
	INSTALLATION OF ALLUMINIUM GLASS FRONT SHOP Total	33 165
	INSTALLATION OF CAMERA MAYORS PARKING Total	7 500
	INSTALLATION OF CAMERA OUTSIDE PARKING AREA Total	115 957
	INTERNAL CCTV CAMERA Total	148 517
	INTERNAL CCTV CAMERA PROJECT FINANCIAL SERVICES Total	130 181
	MANDLANKALA HALL Total	140 210
	MZINGAZI HALL Total	370 151
	PLANT AND EQUIPMENT Total	35 600
	RBAY LIBRARY - REPLACE FRONT DESK Total	68 719
	REDESIGN OFFICE SPACE Total	12 347
	RENOVATIONS FINANCIAL SERVICES Total	80 399
	REPLACEMENT OF CARPET Total	27 464
	SECURITY ROOM ALTON PARKS DEPOT Total	56 738
	TIER LOCKERS Total	55 440
		4 469 714
CORPORATE SERVICES Total	2KVA MAINSSOLAR POWERED UPS Total	49 354
	CALL CENTRE Total	596 602
	CBD EXTENSION SOUTH OF GULDENGRACHT Total	666 309
	CIVIC CENTRE OFFICE AMENDMENTS	1 377
	COMPUTER HARDWARE	3 707 369
	ERF 8038 BIRDSWOOD (BHENGU)	15 000
	ERF 8083 BIRDSWOOD (BHENGU)	13 990
	ERF H1766 ESIKHALENI (NTOKOZO ROAD) (DLAMINI)	86 000

FUNCTION	PROJECT DESCRIPTION	ACTUAL 2012/2013
	FIRE ENGINE	872 000
	FURNITURE AND OTHER OFFICE EQUIPMENT	268 005
	GIS DATABASE ENHANCEMENTS AND CAPTURING	364 000
	GIS ELECTRICAL ENGINEER	657 000
	IMPROVEMENTS TO TOC CONTROL ROOM	88 591
	INSTALLATION TELEMETRY EQUIPMENT	56 207
	INTANGIBLES	1 037 904
	ISUZU KB 250	311 939
	ISUZU NPR 300 TRUCK	957 200
	ISUZU NPS 300	541 910
	ISUZU PVZ1400 6 X 4 WITH F215A	1 336 804
	IT INFRASTRUCTURE	854 568
	JEEP GRAND CHEROKEE	1 250 000
	MAZDA	259 780
	ML MERC MAYORAL VEHICLE	746 635
	MOTORE VEHICLE	602 723
	MULTI MODE 4 CORE FIBRE FROM EMPANGENI LIBRARY	26 897
	OPEL VIVARO 1.9 CDTI 9 SEATER BUS	337 535
	OPEL VIVARO 1.9 CDTI PANEL VAN	251 280
	PLANT AND EQUIPMENT	51 676
	RECEPTION POINT NEW TOC	116 950
	SENTINEL - SECURITY INFORMATION AND EVENT MANAGEME	1 000 000
	SKID UNIT	14 606
	SOFTWARE LICENSING COMPLIANCE (MICROSOFT)	3 304 594
	TOC UPGRADE	1 429 138
	UMZINGWENYA INFORMAL SETTLEMENTS FLOODLINE	130 565
	WATERFRONT DEVELOPMENT	35 892
		22 040 400
ELECTRICITY Total	4WAY RMU REPLACMENT BRACKENHAM	175 000
	AQUILLA SUBSTATION UPGRADE	181 221
	B1030 NGWELEZANE	549 948
	CIVIC CENTRE OFFICE AMENDMENTS	1 377
	CONNECTIONS (FEES) EXTENSIONS DOMESTIC	2 013 467
	CONNECTIONS (FEES) EXTENSIONS INDUSTRIAL	2 517 294
	ENERGY SAVING PROJECT - ROAD INTERSECTIONS	1 140 816
	ESIKHALENI INFILLS	44 853
	FURNITURE AND OTHER OFFICE EQUIPMENT	455 866
	HERCULES SUBSTATION - POWER MONITORING EQUIPMENT	559 879
	HYDRA SUBSTATION	5 712 635
	IMPROVEMENT TO ABULUTION FACILITY ELECTRICAL DEPT	35 000
	METERING CALIBRATION AND VERIFICATION TOOL	59 460
	MV SWITCHGEAR FAULT DETECTORS	534 526
	NGWELEZANE MAIN	20 856

FUNCTION	PROJECT DESCRIPTION	ACTUAL 2012/2013
	ORION 11KV SUBSTATION FENCING	63 200
	PEGASUS 11 KV SUBSTATION	50 000
	PLANT AND EQUIPMENT	219 206
	RICHARDS BAY MINISUB - ENERGY LOSSES	1 115 050
	RISI LOCKING MECHANISMS	88 801
	TUCANA 11KV SUBSTATION GATE	5 900
		15 544 354
HEALTH Total	FURNITURE AND OTHER OFFICE EQUIPMENT	129 396
	PLANT AND EQUIPMENT Total	95 666
		225 062
HOUSING Total	ESIKHALENI REFURBISH HOSTELS	6 045 656
		6 045 656
OTHER Total	AIRPORT	**2 257 921**
		2 257 921
PLANNING AND DEVELOPMENT Total	FURNITURE AND OTHER OFFICE EQUIPMENT	121 655
	WELCOME SIGNAGE Total	97 267
		218 922
PUBLIC SAFETY Total	FURNITURE AND OTHER OFFICE EQUIPMENT	72 609
	PLANT AND EQUIPMENT Total	762 573
	PORTABLE FIRE PUMP	147 525
	STREETLIGHING EMPANGENI MAIN ROAD INTERSECTION	810 296
	STREETLIGHING FOR EMPANGENI - REPLACEMENT	299 937
	STREETLIGHING FOR MZINGAZI	322 952
	STREETLIGHT POLES ESIKHALENI REPLACEMENT	199 930
	STREETLIGHTLIGHING JOHN ROSS	304 209
		2 920 030
ROAD TRANSPORT Total	BUS AND TAXI LAYBYE	1 254 323
	CIVIL SERVICES INFILL AREAS J2 AND H2 AREA	745 436
	FURNITURE AND OTHER OFFICE EQUIPMENT	18 956
	NEW ROBOT - TUSK CASINO	964 405
	PEDESTRIAN BRIDGES MKHWANAZI NORTH	497 784
	PEDESTRIAN BRIDGES NSELENI	484 423
	PEDESTRIAN WALKWAYS - ESIKHALENI H	173 000
	PEDESTRIAN WALKWAYS - RBAY	48 000
	PLANT AND EQUIPMENT	27 000
	ROADS - B1030 NGWELEZANE	71 800
	SPEEDHUMPS	882 720
	UMHLATHUZE VILLAGE PHASE 7	1 860 649
		7 028 495

FUNCTION	PROJECT DESCRIPTION	ACTUAL 2012/2013
SPORT AND RECREATION Total	ARBORETUM POOL - FILTRATION PLANT	15 123
	BAY POOL - FILTRATION PLANT	15 123
	BAY POOL UPGRADE	190 760
	BRACKENHAM POOL - FILTRATION PLANT	15 123
	EMPANGENI POOL - FILTRATION PLANT	15 123
	ESIKHALENI COLLEGE IRRIGATION SYSTEM	139 880
	ESIKHALENI POOL UPGRADE	35 351
	ESIKHALENI POOL UPGRADE - PARKHOME UNIT	106 930
	FURNITURE AND OTHER OFFICE EQUIPMENT	73 086
	GOAL POST AND GROUNDSKEEPER	174 572
	LEAK DETECTION UNIT - SWIMMING POOL	74 452
	MEERENSEE POOL - FILTRATION PLANT	15 123
	PLANT AND EQUIPMENT	766 695
	PLAY GROUND EQUIPMENT	81 250
	POLE PRUNE MACHINE	68 950
	RBCC IMPROVEMENTS CLUB FACILITIES	313 639
	RECREATIONAL FACILITIES	12 880
	TOURISM DEVELOPMENT	112 345
	VELDENVLEI SPORT COMPLEX - SECURITY BURGULAR GATE Total	43 113
	VERTICLE BLINDS	6 520
		2 276 038
WASTE MANAGEMENT Total	DROP-OFF POINT MEERENSEE FENCING	20 019
	FURNITURE AND OTHER OFFICE EQUIPMENT	80 456
	OFFICE AMENDMENT AT CIVIC 2	53 000
	PLANT AND EQUIPMENT	29 640
		183 115
WASTE WATER MANAGEMENT Total	ALARM SYSTEM - IOF PUMPSTATION	8 040
	EMPANGENI PUMPSTATION RELACEMENT BULK SEWER	3 393
	FINGER PRINT CLOCK MACHINE	5 850
	FURNITURE AND OTHER OFFICE EQUIPMENT	157 177
	KHULEKA PUMPSTATION REFURBISHMENT	118 850
	KULEKA PUMPSTATION PUMP	120 950
	LAKE ECUBHU WATER TREATMENT WORKS STANDBY PUMPS	90 243
	LEAK FREE TOILET SYSTEM	171 993
	MZINGAZI VILLAGE SEWER RETICULATION	166 554
	OXYACELTELENE PORTA PACK WITH TROLLEY	9 158
	PLANT AND EQUIPMENT	401 239
	PORTABLE SUBMERSIBLE PUMP Total	12 750
	RURAL SANITATION	29 607 771
	SANITATION PROJECTS	2 528 365
	SCREEN PLANEL FELIXTON PUMPSTATION	19 843
	SEWERAGE PIPELINE REPLACEMENT AT VULINDLELA	36 838
	SOUTHERN PUMPSTATION REPLACE EXISTING BULK SEWER	161 344

FUNCTION	PROJECT DESCRIPTION	ACTUAL 2012/2013
	SUBMERSIBLE PUMP	171 182
	UMHLATHUZE VILLAGE PHASE 7	1 200 000
	VULINDLELA NETWORK REPLACEMENT	1 140 207
		36 131 745
WATER Total	BULK WATER MASTER	1 559 166
	CIVIC CENTRE OFFICE AMENDMENTS	2 295
	COMPUTER HARDWARE	25 387
	COMPUTER HARDWARE EQUIPMENT	1 462
	ESIKHALENI WATER SYSTEM	1 887 452
	ESIKHALENI WATER TREATMENT PLANT	186 918
	ESIKHALENI WATER WORKS IMPROVEMENT	8 451 945
	FURNITURE AND OTHER OFFICE EQUIPMENT	87 944
	JOJO TANK	19 900
	ORION STAR A212 CONDUCTIVITY BECHTOP METER	7 043
	PLANT AND EQUIPMENT	1 371 179
	SCIENTIFIC SERVICES - OFFICE AMENDMENTS	4 591
	UMHLATHUZE VILLAGE PHASE 7 - WATER	676 771
	WATER METERS - RURAL AREAS	749 816
	WATER SUPPLY - MIGVAT	28 020
	WATER SUPPLY - RURALSEMI URBAN AREAS	164 503
	WATER SUPPLY DUBE TRIBAL AREA	132 415
	WATER SUPPLY MKHWANAZI NORTH - RURAL AREA	143 169
		15 499 976
TOTAL CAPITAL EXPENDITURE BY PROJECT		**115 036 478**

APPENDIX O: CAPITAL PROGRAMME BY PROJECT BY WARD CURRENT YEAR

Function	Project Description	Works Completed (Y/N)	Ward Affected
Budget & Treasury Office	Computer Hardware Total	Completed	All Wards
	FURNITURE AND OTHER OFFICE EQUIPMENT Total	COMPLETED	ALL WARDS
	INTANGIBLES Total	IN PROGRESS	ALL WARDS
Community & Social Services	Civic Centre Roofing And Water Proofing Total	In Progress	All Wards
	COMPUTER HARDWARE	COMPLETED	WARD 14
	EMPANGENI HALL	IN PROGRESS	WARD 23
	EMPANGENI LIBRARY CARPET REPLACEMENT	IN PROGRESS	WARD 23
	EXTENSION DEVELOPMENT OF ESIKHALENI CEMETERY	IN PROGRESS	WARD 14
	EXTENSIONDEVELOPMENT OF RICHARDS BAY CEMETERY	IN PROGRESS	WARD 26
	FURNITURE AND OTHER OFFICE EQUIPMENT	COMPLETED	ALL WARDS
	GOBANDLOVU HALL	COMPLETED	WARD 14
	INSTALLATION OF ALLUMINIUM GLASS FRONT SHOP	COMPLETED	ALL WARDS
	INSTALLATION OF CAMERA MAYORS PARKING	COMPLETED	WARD 2
	INSTALLATION OF CAMERA OUTSIDE PARKING AREA	COMPLETED	WARD 2
	INTERNAL CCTV CAMERA	COMPLETED	WARD 2
	INTERNAL CCTV CAMERA PROJECT FINANCIAL SERVICES	COMPLETED	ALL WARDS
	MANDLANKALA HALL	IN PROGRESS	WARD 12
	MZINGAZI HALL	IN PROGRESS	ALL WARDS
	PLANT AND EQUIPMENT	COMPLETED	ALL WARDS
	RBAY LIBRARY - REPLACE FRONT DESK	IN PROGRESS	WARD 2
	REDESIGN OFFICE SPACE	IN PROGRESS	ALL WARDS
	RENOVATIONS FINANCIAL SERVICES	IN PROGRESS	ALL WARDS
	REPLACEMENT OF CARPET	IN PROGRESS	WARD 2
	SECURITY ROOM ALTON PARKS DEPOT	COMPLETED	WARD 2
	TIER LOCKERS	COMPLETED	WARD 9
Corporate Services	2kva Mainssolar Powered Ups	Completed	All Wards
	CALL CENTRE	COMPLETED	ALL WARDS
	CBD EXTENSION SOUTH OF GULDENGRACHT	IN PROGRESS	ALL WARDS
	CIVIC CENTRE OFFICE AMENDMENTS	COMPLETED	ALL WARDS
	COMPUTER HARDWARE	COMPLETED	ALL WARDS
	ERF 8038 BIRDSWOOD (BHENGU)	COMPLETED	WARD 4
	ERF 8083 BIRDSWOOD (BHENGU)	COMPLETED	WARD 4

Function	Project Description	Works Completed (Y/N)	Ward Affected
	ERF H1766 ESIKHALENI (NTOKOZO ROAD) (DLAMINI)	COMPLETED	WARD 2
	FIRE ENGINE	IN PROGRESS	ALL WARDS
	FURNITURE AND OTHER OFFICE EQUIPMENT	COMPLETED	ALL WARDS
	GIS DATABASE ENHANCEMENTS AND CAPTURING	COMPLETED	ALL WARDS
	GIS ELECTRICAL ENGINEER	COMPLETED	ALL WARDS
	IMPROVEMENTS TO TOC CONTROL ROOM	COMPLETED	ALL WARDS
	INSTALLATION TELEMETRY EQUIPMENT	COMPLETED	ALL WARDS
	INTANGIBLES	IN PROGRESS	ALL WARDS
	ISUZU KB 250	COMPLETED	ALL WARDS
	ISUZU NPR 300 TRUCK	COMPLETED	ALL WARDS
	ISUZU NPS 300 Total	COMPLETED	ALL WARDS
	ISUZU PVZ1400 6 X 4 WITH F215A Total	COMPLETED	ALL WARDS
	IT INFRASTRUCTURE Total	COMPLETED	ALL WARDS
	JEEP GRAND CHEROKEE	COMPLETED	ALL WARDS
	MAZDA	COMPLETED	ALL WARDS
	ML MERC MAYORAL VEHICLE	COMPLETED	ALL WARDS
	MOTORE VEHICLE	COMPLETED	ALL WARDS
	MULTI MODE 4 CORE FIBRE FROM EMPANGENI LIBRARY	COMPLETED	ALL WARDS
	OPEL VIVARO 1.9 CDTI 9 SEATER BUS	COMPLETED	ALL WARDS
	OPEL VIVARO 1.9 CDTI PANEL VAN	COMPLETED	ALL WARDS
	PLANT AND EQUIPMENT	COMPLETED	ALL WARDS
	RECEPTION POINT NEW TOC	COMPLETED	ALL WARDS
	SENTINEL - SECURITY INFORMATION AND EVENT MANAGEME	IN PROGRESS	ALL WARDS
	SKID UNIT	COMPLETED	ALL WARDS
	Software Licensing Compliance (Microsoft)	COMPLETED	ALL WARDS
	TOC UPGRADE	COMPLETED	ALL WARDS
	UMZINGWENYA INFORMAL SETTLEMENTS FLOODLINE	IN PROGRESS	ALL WARDS
	WATERFRONT DEVELOPMENT	COMPLETED	WARD 2
Electricity	4way Rmu Replacement Brackenham	Completed	Ward 4
	AQUILLA SUBSTATION UPGRADE	COMPLETED	WARD 3
	B1030 NGWELEZANE	COMPLETED	WARD 25
	CIVIC CENTRE OFFICE AMENDMENTS	COMPLETED	ALL WARDS
	CONNECTIONS (FEES) EXTENSIONS DOMESTIC	COMPLETED	ALL WARDS
	CONNECTIONS (FEES) EXTENSIONS INDUSTRIAL	COMPLETED	ALL WARDS
	ENERGY SAVING PROJECT - ROAD INTERSECTIONS	IN PROGRESS	ALL WARDS
	ESIKHALENI INFILLS	IN PROGRESS	WARD 16,17,20,21
	FURNITURE AND OTHER OFFICE EQUIPMENT	COMPLETED	ALL WARDS

Function	Project Description	Works Completed (Y/N)	Ward Affected
	HERCULES SUBSTATION - POWER MONITORING EQUIPMENT	COMPLETED	ALL WARDS
	HYDRA SUBSTATION	IN PROGRESS	WARD 25
	IMPROVEMENT TO ABULUTION FACILITY ELECTRICAL DEPT	IN PROGRESS	ALL WARDS
	METERING CALIBRATION AND VERIFICATION TOOL	COMPLETED	ALL WARDS
	MV SWITCHGEAR FAULT DETECTORS	COMPLETED	ALL WARDS
	NGWELEZANE MAIN	COMPLETED	ALL WARDS
	ORION 11KV SUBSTATION FENCING	COMPLETED	ALL WARDS
	PEGASUS 11 KV SUBSTATION	COMPLETED	ALL WARDS
	PLANT AND EQUIPMENT	COMPLETED	ALL WARDS
	RICHARDS BAY MINISUB - ENERGY LOSSES	IN PROGRESS	ALL WARDS
	RISI LOCKING MECHANISMS	COMPLETED	ALL WARDS
	TUCANA 11KV SUBSTATION GATE	COMPLETED	ALL WARDS
Health	Furniture And Other Office Equipment	Completed	Ward 2, 24
	PLANT AND EQUIPMENT	COMPLETED	WARD 2, 24
Housing	Esikhaleni Refurbish Hostels	In Progress	Ward 20,21
Other	Airport	Completed	All Wards
Planning And Development	Furniture And Other Office Equipment	Completed	All Wards
	WELCOME SIGNAGE	COMPLETED	ALL WARDS
Public Safety	Furniture And Other Office Equipment	Completed	Ward 2,24
	PLANT AND EQUIPMENT	COMPLETED	WARD 2,24
	PORTABLE FIRE PUMP	COMPLETED	WARD 2,24
	STREETLIGHING EMPANGENI MAIN ROAD INTERSECTION	IN PROGRESS	ALL WARDS
	STREETLIGHING FOR EMPANGENI - REPLACEMENT	COMPLETED	ALL WARDS
	STREETLIGHING FOR MZINGAZI	COMPLETED	ALL WARDS
	STREETLIGHT POLES ESIKHALENI REPLACEMENT	COMPLETED	WARD 15,16,17,21,22
	STREETLIGHTLIGHING JOHN ROSS	IN PROGRESS	WARD 2,9,23,26
Road Transport	Bus And Taxi Laybye	Completed	Ward 1,2,21,28
	CIVIL SERVICES INFILL AREAS J2 AND H2 AREA	IN PROGRESS	WARD 20,21
	FURNITURE AND OTHER OFFICE EQUIPMENT	COMPLETED	
	NEW ROBOT - TUSK CASINO	IN PROGRESS	WARD 4,9,28
	PEDESTRIAN BRIDGES MKHWANAZI NORTH	COMPLETED	WARD 1,5,6,11,13,18,24,25
	PEDESTRIAN BRIDGES NSELENI	COMPLETED	WARD 1,5,6,11,13,18,24,25
	PEDESTRIAN WALKWAYS - ESIKHALENI H	IN PROGRESS	WARD 2,6,8,9,16,23,28,30

Function	Project Description	Works Completed (Y/N)	Ward Affected
	PEDESTRIAN WALKWAYS - RBAY	IN PROGRESS	WARD 2,6,8,9,16,23,28,30
	PLANT AND EQUIPMENT	COMPLETED	
	ROADS - B1030 NGWELEZANE	IN PROGRESS	WARD 28
	SPEEDHUMPS	COMPLETED	WARD 1,2,3,4,6,7,8,9,14,16,17,19,20,21
	UMHLATHUZE VILLAGE PHASE 7	IN PROGRESS	WARD 9
Sport And Recreation	Arboretum Pool - Filtration Plant	Completed	Ward 3,23
	BAY POOL - FILTRATION PLANT	COMPLETED	WARD 3,23
	BAY POOL UPGRADE	IN PROGRESS	WARD 32
	BRACKENHAM POOL - FILTRATION PLANT	COMPLETED	WARD 3,23
	EMPANGENI POOL - FILTRATION PLANT	COMPLETED	WARD 3,23
	ESIKHALENI COLLEGE IRRIGATION SYSTEM	COMPLETED	WARD 17
	ESIKHALENI POOL UPGRADE	COMPLETED	WARD 15
	ESIKHALENI POOL UPGRADE - PARKHOME UNIT	COMPLETED	WARD 15
	FURNITURE AND OTHER OFFICE EQUIPMENT	COMPLETED	ALL WARDS
	GOAL POST AND GROUNDSKEEPER	COMPLETED	WARD 2,17
	LEAK DETECTION UNIT - SWIMMING POOL	COMPLETED	WARD 1,3,8,23,17,28
	MEERENSEE POOL - FILTRATION PLANT	COMPLETED	WARD 3,23
	PLANT AND EQUIPMENT	COMPLETED	WARD 2,8,9,14,17,18,23,30
	PLAY GROUND EQUIPMENT	COMPLETED	WARD 2,8,9,14,17,18,23,30
	RBCC IMPROVEMENTS CLUB FACILITIES	IN PROGRESS	WARD 1,23
	RECREATIONAL FACILITIES	COMPLETED	WARD 2
	TOURISM DEVELOPMENT	COMPLETED	WARD 2
	VELENVLEI SPORT COMPLEX - SECURITY BURGULAR GATE	COMPLETED	ALL WARDS
	VERTICLE BLINDS	COMPLETED	WARD 2
Waste Management	Drop-Off Point Meerensee Fencing	Completed	All Wards
	FURNITURE AND OTHER OFFICE EQUIPMENT	COMPLETED	WARD 2
	OFFICE AMENDMENT AT CIVIC 2	COMPLETED	WARD 2
	PLANT AND EQUIPMENT	COMPLETED	WARD 2
Waste Water Management	Alarm System – I of Pump station	Completed	All Wards
	EMPANGENI PUMPSTATION RELACEMENT BULK SEWER	IN PROGRESS	RURAL WARDS
	FINGER PRINT CLOCK MACHINE	COMPLETED	ALL WARDS
	FURNITURE AND OTHER OFFICE EQUIPMENT	COMPLETED	ALL WARDS
	KHULEKA PUMPSTATION REFURBISHMENT	COMPLETED	RURAL WARDS
	KULEKA PUMPSTATION PUMP	COMPLETED	RURAL WARDS
	LAKE ECUBHU WATER	IN PROGRESS	RURAL WARDS

Function	Project Description	Works Completed (Y/N)	Ward Affected
	TREATMENT WORKS STANDBY PUMPS		
	LEAK FREE TOILET SYSTEM	COMPLETED	RURAL WARDS
	MZINGAZI VILLAGE SEWER RETICULATION	IN PROGRESS	WARD 1
	OXYACELTELENE PORTA PACK WITH TROLLEY	COMPLETED	ALL WARDS
	PLANT AND EQUIPMENT	COMPLETED	RURAL WARDS
	PORTABLE SUBMERSIBLE PUMP	COMPLETED	ALL WARDS
	RURAL SANITATION	IN PROGRESS	RURAL WARDS
	SANITATION PROJECTS	IN PROGRESS	RURAL WARDS
	SCREEN PLANEL FELIXTON PUMPSTATION	COMPLETED	RURAL WARDS
	SEWERAGE PIPELINE REPLACEMENT AT VULINDLELA	COMPLETED	RURAL WARDS
	SOUTHERN PUMPSTATION REPLACE EXISTING BULK SEWER	IN PROGRESS	RURAL WARDS
	SUBMERSIBLE PUMP	COMPLETED	ALL WARDS
	UMHLATHUZE VILLAGE PHASE 7	COMPLETED	WARD 9
	VULINDLELA NETWORK REPLACEMENT	IN PROGRESS	RURAL WARDS
Water	Bulk Water Master	In Progress	All Wards
	CIVIC CENTRE OFFICE AMENDMENTS	COMPLETED	ALL WARDS
	COMPUTER HARDWARE	COMPLETED	ALL WARDS
	ESIKHALENI WATER SYSTEM	COMPLETED	ALL WARDS
	ESIKHALENI WATER TREATMENT PLANT	COMPLETED	WARD 13
	ESIKHALENI WATER WORKS IMPROVEMENT	IN PROGRESS	RURAL WARDS
	FURNITURE AND OTHER OFFICE EQUIPMENT	COMPLETED	ALL WARDS
	JOJO TANK	COMPLETED	ALL WARDS
	ORION STAR A212 CONDUCTIVITY BECHTOP METER	COMPLETED	ALL WARDS
	PLANT AND EQUIPMENT	COMPLETED	ALL WARDS
	SCIENTIFIC SERVICES - OFFICE AMENDMENTS	COMPLETED	ALL WARDS
	UMHLATHUZE VILLAGE PHASE 7 - WATER	COMPLETED	WARD 7
	WATER METERS - RURAL AREAS	COMPLETED	RURAL WARDS
	WATER SUPPLY - MIGVAT	COMPLETED	RURAL WARDS
	WATER SUPPLY - RURALSEMI URBAN AREAS	IN PROGRESS	RURAL WARDS
	WATER SUPPLY DUBE TRIBAL AREA	COMPLETED	RURAL WARDS
	WATER SUPPLY MKHWANAZI NORTH - RURAL AREA	IN PROGRESS	RURAL WARDS

APPENDIX R: DECLARATION OF LOANS AND GRANTS MADE BY THE MUNICIPALITY

Declaration of Loans and Grants made by the Municipality			
All organisations or Persons in receipt of Grants provided by the Municipality	**Nature of Project**	**Conditions attached to funding**	**Value**
Richards Bay Country Club	Grant- in - aid	None	350 030
Davulution Agriculture Primary	Grant- in - aid	None	50 000
SPCA	Grant- in - aid	None	105 000
Schools and uThungulu Community Forum	Grant- in - aid	None	25 000
Various grants in aid	Grant- in - aid	None	267 664
Property Rates Relief	Grant- in - aid	None	705 365
Dolos Festival	Grant- in - aid	None	70 000
uMhlathuze Rangers FC	Grant- in - aid	None	**70 000**
Mhlacufest	Grant- in - aid	None	70 000
COSATU KwaZulu-Natal May day	Grant- in - aid	None	60 000
Ezemvelo KZN WILDLIFE	Grant- in - aid	None	32 550
Youth Summit	Grant- in - aid	None	223 412
World Aids Day	Grant- in - aid	None	61 486
			2 090 507

APPENDIX S: DECLARATION OF RETURNS NOT MADE IN DUE TIME UNDER MFMA S71

All returns submitted on time as required in terms of MFMA Section 71.

VOLUME II: AFS

CITY OF uMHLATHUZE

ANNUAL FINANCIAL STATEMENTS

for the year ended

30 JUNE 2014

ANNUAL FINANCIAL STATEMENTS

FOR

CITY OF uMHLATHUZE

30 JUNE 2014

Contact Information:

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REPORT OF THE AUDITOR-GENERAL TO THE KWAZULU-NATAL PROVINCIAL LEGISLATURE AND COUNCIL ON UMHLATHUZE MUNICIPALITY

REPORT ON THE FINANCIAL STATEMENTS

Introduction

1. I have audited the financial statements of the uMhlathuze Municipality set out on pages 286 to 354, which comprise, the statement of financial position as at 30 June 2014, the statement of financial performance, statement of changes in net assets, the cash flow statement and the statement of comparison of budget information with actual information for the year then ended, and the notes, comprising a summary of significant accounting policies and other explanatory information.

Accounting officer's responsibility for the financial statements

2. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the South African Standards of Generally Recognised Accounting Practice (SA Standards of GRAP) and the requirements of the Local Government: Municipal Finance Management Act of South Africa, 2003 (Act No. 56 of 2003) (MFMA) and the Division of Revenue Act of South Africa, 2013 (Act No. 2 of 2013) (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.

Auditor-General's responsibility

3. My responsibility is to express an opinion on the financial statements based on my audit. I conducted my audit in accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA), the general notice issued in terms thereof and International Standards on Auditing. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the municipality's preparation and fair presentation of the financial statements 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

6. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Umhlathuze Municipality as at 30 June 2014, and its financial performance and cash flows for the

year then ended in accordance with the SA Standards of GRAP and the requirements of the MFMA and DoRA.

Emphasis of matters

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

Material losses

8. As disclosed in note 26 to the financial statements, material losses to the amount of R25,09 million (17,5 million kilolitres) were incurred as a result of water losses incurred at the municipality.

Material underspending of the capital budget

9. As disclosed in the statement of comparison of budget and actual amounts and note 43.2.4 to the financial statements, the municipality has materially underspent the capital budget to the amount of R213 million. This amount was made up of R120 million which related to a tender objection on a rural sanitation project and the balance of R93 million was attributable to poor planning and execution of capital projects.

Additional matters

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

Unaudited supplementary schedules

11. The supplementary information set out on pages 355 to 360 does not form part of the financial statements and is presented as additional information. I have not audited these schedules and, accordingly, I do not express an opinion thereon.

Unaudited disclosure notes

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

13. In accordance with the PAA and the general notice issued in terms thereof, I report the following findings on the reported performance information against predetermined objectives for selected development priorities presented in the annual performance report, non-compliance with legislation as well as internal control. The objective of my tests was to identify reportable findings as described under each subheading but not to gather evidence to express assurance on these matters. Accordingly, I do not express an opinion or conclusion on these matters.

Predetermined objectives

14. I performed procedures to obtain evidence about the usefulness and reliability of the reported performance information for the following selected development priorities presented in the annual performance report of the municipality for the year ended 30 June 2014:

    - Development priority 2: Basic service delivery and infrastructure on pages x to x

15. I evaluated the reported performance information against the overall criteria of usefulness and reliability.

16. I evaluated the usefulness of the reported performance information to determine whether it was presented in accordance with the National Treasury's annual reporting principles and whether the reported performance was consistent with the planned objectives. I further performed tests to determine whether indicators and targets were well defined, verifiable, specific, measurable, time bound and relevant, as required by the National Treasury's *Framework for managing programme performance information.*

17. I assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.

18. I did not raise any material findings on the usefulness and reliability of the reported performance information for the selected development priorities.

Additional matters

19. Although no material findings concerning the usefulness and reliability of the performance information were identified in the annual performance report, I draw attention to the following matters below.

Achievement of planned targets

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

Unaudited supplementary schedules

21. The supplementary information set out on pages x to x does not form part of the annual performance report and is presented as additional information. I have not audited these schedules and, accordingly, I do not express a conclusion thereon.

Compliance with legislation

22. I performed procedures to obtain evidence that the municipality had complied with applicable legislation regarding financial matters, financial management and other related matters. I did not identify any instances of material non-compliance with specific matters in key legislation, as set out in the general notice issued in terms of the PAA.

Internal control

23. I considered internal control relevant to my audit of the financial statements, annual performance report and compliance with laws and regulations. I did not identify any deficiencies in internal control which I considered sufficiently significant for inclusion in this report.

OTHER REPORTS

Investigations

24. One investigation into allegations of maladministration and corruption at uMhlathuze Municipality is currently being performed, relating to the 2012/13 financial year, by the Department of Co-operative Governance and Traditional Affairs (COGTA).

Pietermaritzburg

28 November 2014

AUDITOR-GENERAL SOUTH AFRICA

Auditing to build public confidence

General Information

Members of the Council:	**Position**	**Status**
EF.F Mbatha	Mayor	Active
N.V Gumbi	Deputy Mayor	Active
M.S. Mnqayi	Speaker	*Active*
M. Lourens	Chief Whip	*Active*
Dr NJ Sibeko	Executive Committee	Active
D.A. Nxumalo	Executive Committee	Active
M.M. Mbokazi	Executive Committee	Active
L.C.M Fourie	Executive Committee	Active
S.G. Mkhize	Executive Committee	Active
S.S. Simmadhri	Executive Committee	Active
M. Sookrooo	Executive Committee	Active
P.N. Kwela	Executive Committee	Active
N.R Cele	Executive Committee	Active
A.H. Mthembu	Executive Committee	Active
A.S. Dawood	Chairperson of Section 79 Committee	Active
S.N. Hlophe	Chairperson of Section 79 Committee	Active
K. Sukreben	Chairperson of Section 79 Committee	Active
S.B. Xaba	Chairperson of Section 79 Committee	Active
The comprehensive list of councillors is available on the website		

Municipal Manager:	Dr NJ Sibeko
Chief Financial Officer:	Mxolisi Kunene
Category of Local Authority:	B
Auditors:	Auditor-General of South Africa
Bankers	ABSA Bank
Registered Office:	5 Mark Strasse, Civic Centre Richards Bay 3900
Physical Address:	5 Mark Strasse, Civic Centre Richards Bay 3900
Postal Address:	P.Bag X1004 Richardsbay 3900

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STATEMENT OF THE MUNICIPAL MANAGER'S RESPONSIBILITY

The uMhlathuze Local Municipality, situated at 5 Mark Strasse, Richards Bay, is a category B municipality, established in terms of section 12(1) of the Municipal Structures Act, 1998 (Act No. 117 of 1998) and published in terms of the Provincial Government Notice 346 on 19 September 2000. The Local Government operations of the Municipality are assigned by section 156 and 229 of the Constitution of the Republic of South Africa, 1996 (Act No 108 of 1996) and are defined specifically in terms of section 83 of the Municipal Structures Act.

I am responsible for the preparation of these annual financial statements, which are set out on pages 7 to 78, in terms of section 126(1) of the Municipal Finance Management Act, 2003 (Act No 56 of 2003) and which I have signed on behalf of the Municipality.

I certify that the salaries, allowances and benefits of Councillors, loans made to Councillors, if any, and payments made to Councillors for loss of office, if any, as disclosed in note 21 of these annual financial statements are within the upper limits of the framework envisaged in Section 219 of the Constitution, read with the Remuneration of Public Officer Bearers Act, 1998 (Act No 20 of 1998) and the Minister of Provincial and Local Government's determination in accordance with this Act.

As required by Section 45 of the Municipal Systems Act and Section 121(4)(a) and (b) of the Municipal Finance Management Act, the Annual Financial Statements were submitted to the Auditor-General South Africa (AGSA) on 31 August 2014.

Dr N.J. Sibeko
CITY MANAGER

DATE 31 August 2014

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2014

	Notes	2014	2013 RESTATED
		R	R
NET ASSETS AND LIABILITIES			
ASSETS			
Non-current Assets		**4 348 341 843**	**4 291 790 519**
Property, Plant and Equipment	9	4 198 725 743	4 142 445 419
Investment Property	11	134 573 715	135 312 126
Intangible Assets	10	12 159 663	11 187 676
Heritage Assets	8	2 723 695	2 488 594
Long-term Receivables	13	159 027	356 704
Current Assets		**835 646 052**	**600 772 376**
Inventory	7	72 999 497	75 503 288
Trade Receivables	12	316 529 263	239 462 934
Other Receivables	14	32 009 956	26 906 002
VAT	6	9 556 774	16 013 786
Current portion of Long-term Receivables	13	41 215	110 873
Cash and Cash Equivalents	15	404 509 347	242 775 493
Total Assets		**5 183 987 895**	**4 892 562 895**
NET ASSETS AND LIABILITIES			
Net Assets		**3 727 401 344**	**3 529 495 812**
Housing Development Fund	1	49 933 544	50 306 402
Accumulated Surplus		3 677 467 800	3 479 189 410
Non-current Liabilities		**835 059 127**	**829 668 359**
Long-term Liabilities	2	601 727 228	625 249 504
Post-employment medical aid benefits	30	233 331 899	204 418 855
Current Liabilities		**621 527 424**	**533 398 724**
Consumer Deposits	3	44 908 275	39 779 079
Trade and Other Payables	4	339 257 657	250 275 664
Provisions	31	20 390 933	23 317 157
Unspent Conditional Grants and Receipts	5	92 231 417	113 802 638
Current portion of Long-term Liabilities	2	124 739 142	106 224 186
Total Net Assets and Liabilities		**5 183 987 895**	**4 892 562 895**

STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2014

	Notes	2014	2013
		R	R
REVENUE			
Non-exchange Revenue		**758 615 577**	**517 853 135**
Property rates	16	279 678 867	239 616 753
Fines		59 985 915	10 549 626
Government grants and subsidies	18	357 615 705	253 530 276
Public Contributions	41	61 335 090	243 335
Reduction of post-employment benefit obligations	30	-	13 913 145
Exchange Revenue		**1 735 696 612**	**1 522 801 737**
Service charges	17	1 617 726 163	1 369 809 756
Rental of facilities and equipment		13 500 758	16 860 051
Interest earned - external investments		21 060 123	14 498 748
Interest earned - outstanding debtors	41	52 402	168 322
Licences and permits		1 744 063	1 932 878
Income for agency services		6 630 263	6 093 399
Other income	19	67 452 930	112 869 933
Gains on sale of land		7 529 910	-
Gains on disposal of property, plant and equipment		-	568 650
Total Revenue		**2 494 312 189**	**2 040 654 872**
EXPENDITURE			
Employee-related costs	20	480 990 214	437 125 880
Remuneration of councillors	21	21 408 271	17 147 836
Bad debts	12	67 968 747	3 646 893
Collections costs		2 529 018	117 821
Depreciation	9,11	241 712 732	343 657 602
Amortisation	10	2 627 456	1 657 881
Post-employment benefits expense	30	28 913 044	-
Conditional grant expenditure		14 715 691	9 060 384
Repairs and maintenance		75 129 244	65 438 417
Finance costs	22	71 144 663	79 985 065
Bulk purchases	23	1 051 625 801	937 246 910
Contracted services	41	100 640 944	92 101 054
Grants and subsidies paid	24	3 021 511	2 090 507
Loss on disposal of property, plant and equipment		-	469 904
General expenses	37	133 979 321	102 328 691
Total Expenditure		**2 296 406 657**	**2 092 074 844**
SURPLUS/ (DEFICIT) FOR THE YEAR		**197 905 532**	**(51 419 972)**

STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED 30 JUNE 2014

	Notes	Housing Development Fund	Accumulated Surplus	Total
		R	R	R
2013				
Balance at 30 June 2012		56 847 525	3 370 168 647	3 427 016 172
Inventory land not brought into account previously		-	240 000	240 000
Prior year loss on disposal of council property		-	(1 788)	(1 788)
Change in accounting policy		-	1 155 909	1 155 909
Recognised council properties depreciation for 2012		-	(61 752)	(61 752)
Correction of accumulated depreciation		-	110 342 675	110 342 675
Restated balance at 30 June 2012		56 847 525	3 481 843 691	3 538 691 216
Surplus/ (Deficit) for the year			(51 419 972)	(51 419 972)
Transfer to Housing Development Fund		(6 541 123)	6 541 123	-
Balance at 30 June 2013		**50 306 402**	**3 436 964 842**	**3 487 271 244**
2014				
Balance at 30 June 2013		50 306 402	3 436 964 842	3 487 271 244
Inventory land not brought into account previously		-	800 000	800 000
Correction of accumulated depreciation		-	41 424 568	41 424 568
Restated Balance at 30 June 2014		**50 306 402**	**3 479 189 410**	**3 529 495 812**
Surplus/ (Deficit) for the year		-	197 905 532	197 905 532
Transfer to Housing Development Fund		(372 858)	372 858	-
Balance at 30 June 2014		**49 933 544**	**3 677 467 800**	**3 727 401 344**

CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2014

	Notes	2014	2013
		R	R
CASH FLOW FROM OPERATING ACTIVITIES			
Cash receipts from ratepayers, government and other		2 353 937 433	2 020 925 727
Cash paid to suppliers and employees		(1 886 489 778)	(1 661 330 860)
Cash generated from operations	25	467 447 655	359 594 867
Interest received		21 060 123	14 498 748
Interest paid		(71 144 663)	(79 985 065)
NET CASH FLOWS FROM OPERATING ACTIVITIES		**417 363 115**	**294 108 550**
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(250 889 276)	(115 036 478)
Proceeds on disposal of property, plant and equipment		-	2 192 983
Decrease/ (Increase) in non-current receivables		267 335	135 579
NET CASH FLOWS FROM INVESTING ACTIVITIES		**(250 621 941)**	**(112 707 916)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from borrowings		100 000 000	-
Repayment of borrowings		(105 007 318)	(95 838 873)
NET CASH FLOWS FROM FINANCING ACTIVITIES		**(5 007 318)**	**(95 838 873)**
Net increase/ (decrease) in cash and cash equivalents		161 733 854	85 561 760
Cash and cash equivalents at the beginning of the year		242 775 493	157 213 733
Cash and cash equivalents at the end of the year	**15**	**404 509 347**	**242 775 493**

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE YEAR ENDED 30 JUNE 2014

	Note	Actual	Approved Budget	Final Budget	Variance	Variance
		R'000	R'000	R'000	R'000	%
STATEMENT OF FINANCIAL POSITION	43.2.1					
Total current assets		835 646 052	606 201 000	721 166 000	(114 480 052)	-16%
Total non-current assets		4 348 341 843	4 511 594 000	4 618 714 000	270 372 157	5.85%
Total Assets		**5 183 987 895**	**5 117 795 000**	**5 339 880 000**	**155 892 105**	**-10.02%**
Total current liabilities		621 527 424	540 545 590	541 128 804	(80 398 620)	-15%
Total non-current liabilities		835 059 127	952 454 100	957 363 513	122 304 386	13%
Total Liabilities		**1 456 586 551**	**1 492 999 690**	**1 498 492 317**	**41 905 766**	**(2.08%)**
Total Net Assets		3 727 401 344	3 624 795 310	3 841 387 683	113 986 339	2.97%
Total Net Assets and Liabilities		**5 183 987 895**	**5 117 795 000**	**5 339 880 000**	**155 892 105**	**0.88%**
STATEMENT OF FINANCIAL PERFORMANCE	43.2.2					
Property rates		279 678 867	275 000 000	281 600 000	321 133	0.68%
Service charges		1 617 726 163	1 439 643 800	1 594 534 400	(23 191 763)	-1.45%
Rental of facilities and equipment		13 500 758	10 878 300	9 086 300	(4 414 458)	-48.59%
Interest earned - external investments		21 060 123	4 151 700	10 100 00	(10 960 123)	-108.51%
Interest earned - outstanding debtors		52 402	97 000	73 500	21 098	28.70%
Fines		59 985 915	10 102 200	9 302 200	(50 683 715)	-544.87%
Licences and permits		1 744 063	2 747 000	1 846 000	101 937	5.52%
Income for agency fees		6 630 263	5 800 000	6 200 000	(430 263)	-6.94%
Government grants and subsidies		357 615 705	313 332 400	479 646 300	122 030 596	25.44%
Public contributions		61 335 090	-	-	(61 335 090)	100.00%
Other income		67 452 930	28 201 300	29 117 000	(38 335 930)	-131.66%
Reduction on post-employment benefits		-	-	-	-	-
Gain on Sale of land		7 529 910	-	-	(7 529 910)	100%
Gain on Sale of Property, Plant and equipment		-	-	-	-	-
Total Revenue		**2 494 312 189**	**2 089 953 700**	**2 421 505 700**	**(72 806 489)**	**-582%**
Employee-related costs		480 990 214	508 764 400	499 490 000	18 499 000	3.70%
Remuneration of councillors		21 408 271	21 528 800	21 528 800	120 529	0.56%
Debt impairment		67 968 747	2 075 000	2 075 000	(65 893 747)	-3175.61%
Collection costs		2 529 018	80 000	2 120 000	(409 018)	-19.29%
Depreciation and amortisation		244 340 188	145 217 800	145 217 800	(99 122 388)	-68.26%
Conditional grant expenditure		14 715 691	15 301 000	19 486 000	4 770 309	24.48%
Repairs and maintenance		75 129 244	57 720 100	69 029 800	(6 099 444)	-8.84%
Finance costs		71 144 663	75 538 200	73 038 200	1 893 537	2.59%
Bulk purchases		1 051 625 801	928 881 400	1 057 967 400	6 341 599	0.60%
Contracted services		100 640 944	95 724 400	105 376 000	9 662 956	4.49%
Grants and subsidies paid		3 021 511	9 903 700	10 216 300	7 194 789	70.42%
Post-Employment benefits expenses		28 913 044	-	-	(28 913)	100.00%
General expenses		133 979 321	128 679 300	168 253 400	29 346 179	20.37%
Total Expenditure		**2 296 406 657**	**1 989 414 100**	**2 173 798 700**	**(122 607 957)**	**-3044%**
Surplus/ (Deficit) for the year		**197 905 532**	**100 539 600**	**247 707 000**	**49 801 468**	**20.10%**

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE YEAR ENDED 30 JUNE 2014

	Note	Actual	Approved Budget	Final Budget	Variance	Variance
		R'000	R'000	R'000	R'000	%
CASH FLOW STATEMENT	43.2.3					
Net cash from (used) operating		417 363 115	231 995 000	406 782 000	(10 581 115)	-3%
Net cash from (used) investing		(250 621 941)	(227 742 000)	(305 248 000)	(54 626 259)	18%
Net cash from (used) financing		(5 007 318)	(9 092 000)	(9 092 000)	(4 084 682)	45%
Net (decrease)/ increase in cash and cash equivalents		**161 733 856**	**(4 839 000)**	**92 442 000**	**(69 291 856)**	**60%**
CAPITAL EXPENDITURE	43.2.4					
Budget and Treasury Office		132 302	4 750 500	103 900	(28 402)	-27%
Community and Social Services		12 846 834	16 572 100	19 492 900	6 646 066	34%
Corporate Services		30 853 000	37 027 100	44 625 400	13 772 400	30%
Electricity		47 249 000	58 818 000	81 351 200	19 744 484	42%
Executive and Council		352 161	375 000	449 900	97 739	22%
Health		773 177	6 193 100	5 932 100	5 158 923	87%
Housing		5 755 664	-	26 244 000	20 488 336	78%
Planning and Development		85 634	155 600	111 600	25 966	23%
Public Safety		3 604 000	13 697 200	14 742 200	11 138 200	75%
Road Transport		20 480 000	37 779 600	29 511 100	9 031 100	31%
Sport and Recreation		9 301 426	24 693 300	27 468 700	18 167 274	66%
Waste Management		1 307 283	11 021 100	6 203 400	4 896 117	79%
Waste Water Management		56 825 000	72 259 600	71 353 950	14 528 950	20%
Water		65 151 000	55 372 400	140 393 250	75 242 250	54%
Total		**254 716 481**	**338 713 600**	**467 983 600**	**213 267 119**	**46%**

The actual capital expenditure amount does not include the contributed assets amount of R49,6 million.

ACCOUNTING POLICIES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

1. BASIS OF PRESENTATION

The annual financial statements have been prepared on an accrual basis of accounting and are in accordance with historical cost convention.

These annual financial statements have been prepared in accordance with Generally Recognised Accounting Practice (GRAP), issued by the Accounting Standards Board (ASB) in accordance with Section 122(3) of the Municipal Finance Management Act, (Act No 56 of 2003) with the exception of certain accounting policies adopted in accordance with International Accounting Standards (IAS).

The principal accounting policies adopted in the preparation of these annual financial statements are set out below:

GRAP 1	Presentation of Financial Statements
GRAP 2	Cash Flow Statements
GRAP 3	Accounting Policies, Changes in Accounting Estimates and Errors
GRAP 5	Borrowing Costs
GRAP 6	Consolidated and Separate Financial Statements
GRAP 9	Revenue from Exchange Transactions
GRAP 12	Inventories
GRAP 13	Leases
GRAP 14	Events after the Reporting Date
GRAP 16	Investment property
GRAP 17	Property, Plant and Equipment
GRAP 19	Provisions, Contingent Liabilities and Contingent Assets
GRAP 21	Impairment of non-cash generating assets
GRAP 23	Revenue from Non-exchange transactions
GRAP 24	Presentation of budget information
GRAP 25	Employee benefits
GRAP 26	Impairment of cash generating assets
GRAP 31	Intangible Assets
GRAP 100	Non-Current Assets Held for Sale and Discontinued Operations
GRAP 103	Heritage Assets
GRAP 104	Financial Instruments
IPSAS 20	Related Party Disclosure

2. PRESENTATION CURRENCY

These annual financial statements are presented in South African Rand. The figures are rounded off to the nearest Rand.

3. GOING CONCERN ASSUMPTION

These annual financial statements have been prepared on a going concern basis.

4. OFFSETTING

Assets, liabilities, revenue and expenses have not been offset except when offsetting is required or permitted by a Standard of GRAP.

5. STANDARDS, AMENDMENTS TO STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE

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

GRAP 18 Segment Reporting
GRAP 20 Related Party Disclosures
GRAP 108 Statutory Receivables

Management has considered all the of the above-mentioned GRAP standard issued but not yet effective and anticipates that the adoption of these standard will not have a significant impact on the financial position, financial performance or cash flows of the Municipality.

The following GRAP standards have been issued and effective but are not applicable to the Municipality:
GRAP 4 The Effects of Changes in Foreign Exchange Rates
GRAP 6 Consolidated and Separate Financial Statements
GRAP 7 Investment in Associate
GRAP 8 Interest in Joint Ventures
GRAP 10 Financial Reporting in Hyperinflationary Economies
GRAP 27 Agriculture

5.1. Significant accounting judgements, estimates and assumptions

The preparation of the Municipality's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

Judgements

In the process of applying the Municipality's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements

Operating lease commitments – Municipality as lessor

The Municipality has entered into commercial property leases on its investment property portfolio. The Municipality has determined, based on an evaluation of the terms and conditions of the arrangements, that it retains all the significant risks and rewards of ownership of these properties and accounts for the contracts as operating leases

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are as follows:

Depreciation and impairment

The Municipality depreciates its assets over their estimated useful lives taking into account residual values, where appropriate. The appropriateness of its assets' estimated useful lives, residual values and their depreciation methods are re-assessed on an annual basis. The actual lives of these assets and their respective residual values may vary depending on a variety of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account.

Management used their judgement in applying the internal and external impairment indicators to its assets. No impairment indicators were identified and as such the recoverable amounts of the aforementioned assets was not calculated.

Customer receivables

At year-end management makes an estimate of the amount of total outstanding customer debt that it expects to hand over to external debt collectors and the total subsequent receipts it expects to receive after year end. In addition, management estimates the amounts that it expects to recover from outstanding balances handed over based upon the age profile of debts handed over and based on prior experience and trends. A provision for impairment is raised based on these estimates. A detailed breakdown of the student fee receivable is provided in note 13.

6. COMPARATIVE INFORMATION

6.1. PRIOR YEAR COMPARATIVES

Where necessary, comparative figures have been reclassified to conform to changes in presentation in the current year.

When the presentation or classification of items in the Annual Financial Statements is amended, prior period comparative amounts are restated. The nature and reason for the reclassification is disclosed.

Where accounting errors have been identified in the current year, the correction is made retrospectively as far as is practicable, and the prior year comparatives are restated accordingly. Where there has been a change in accounting policy in the current year, the adjustment is made retrospectively as far as is practicable, and the prior year comparatives are restated accordingly.

7. PROPERTY, PLANT AND EQUIPMENT

7.1. INITIAL RECOGNITION

Property, plant and equipment are tangible non-current assets (including infrastructure assets) that are held for use in the production or supply of goods or services, rental to others, or for administrative purposes, and are expected to be used during more than one year.

Infrastructure assets in particular are those that are part of a system or network, specialized in nature and do not have alternative uses, immovable and maybe subject to constraints on disposal.
The cost of an item of property, plant and equipment is recognised as an asset if, and only if it is probable that future economic benefits or service potential associated with the item will flow to the municipality, and if the cost or fair value of the item can be measured reliably.

Property, plant and equipment are initially recognised at cost on its acquisition date or in the case of assets acquired by grant or donation, deemed cost, being the fair value of the asset on initial recognition. The cost of an item of property, plant and equipment is the purchase price and other costs attributable to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by the municipality.

Trade discounts and rebates are deducted in arriving at the cost. The cost also includes the necessary costs of dismantling and removing the asset and restoring the site on which it is located.
When significant components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.
Where an asset is acquired by the Municipality for no or nominal consideration (i.e. a non-exchange transaction), the cost is deemed to be equal to the fair value of that asset on the date acquired.

ACCOUNTING POLICIES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014 (continued)

The cost of an item of property, plant and equipment acquired in exchange for a non-monetary asset or monetary assets, or a combination of monetary and non-monetary assets is measured at its fair value. If the acquired item could not be measured at its fair value, its cost was measured at the carrying amount of the asset given up.
Major spare parts and servicing equipment qualify as property, plant and equipment when the Municipality expects to use them during more than one period. Similarly, if the major spare parts and servicing equipment can be used only in connection with an item of property, plant and equipment, they are accounted for as property, plant and equipment.

7.2. SUBSEQUENT MEASUREMENT

Subsequent expenditure relating to property, plant and equipment is capitalised if it is probable that future economic benefits or potential service delivery associated with the subsequent expenditure will flow to the entity and the cost or fair value of the subsequent expenditure can be reliably measured.

Subsequent expenditure incurred on an asset is only capitalised when it increases the capacity or future economic benefits associated with the asset. Where the municipality replaces parts of an asset, it de-recognises the part of the asset being replaced and capitalises the new component. Subsequently all property plant and equipment, are measured at cost (or deemed cost), less accumulated depreciation and accumulated impairment losses.

Compensation from third parties for items of property, plant and equipment that were impaired, lost or given up is included in surplus or deficit when the compensation becomes receivable.

7.3. DEPRECIATION

Land is not depreciated as it is regarded as having an infinite life. Depreciation on assets other than land is calculated on cost, using the straight-line method, to allocate their cost or revalued amounts to their residual values over the estimated useful lives of the assets. The depreciation method used reflects the pattern in which the asset's future economic benefits or service potential are expected to be consumed by the municipality.

Components of assets that are significant in relation to the whole asset and that have different useful lives are depreciated separately. The depreciation rates are based on the following estimated useful lives.
Depreciation only commences when the asset is available for use, unless stated otherwise.

The annual depreciation rates are based on the following estimated average asset lives:

	Years		Years
Infrastructure		Other	
Roads and Paving	15-65	Buildings	30
Pedestrian Malls	30	Specialised vehicles	10
Electricity	20-30	Other vehicles	3-7
Water	15-65	Office equipment	3-5
Sewerage	15-50	Furniture and fittings	7
Housing	30	Watercraft	15
Community		Bins and containers	5-10
Buildings	30	Specialised plant and equipment	10-15
Recreational Facilities	20-30	Other items of plant and equipment	2-5
Security	5		

ACCOUNTING POLICIES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014 (continued)

DEPRECIATION (Continued)

The assets residual values, estimated useful lives and depreciation method are reviewed annually, and adjusted retrospectively if appropriate, at each reporting date and any changes are recognised as a change in accounting estimate in the Statement of Financial Performance.
The residual value and the useful life of each asset are reviewed at the end of each reporting date. Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item shall be depreciated separately. The depreciation method applied to an asset is reviewed at each reporting date.

7.4. DERECOGNITION

Items of property, plant and equipment are derecognised when the asset is disposed of or when there are no further economic benefits or service potential expected from the use of the asset. The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying value and is recognised in the Statement of Financial Performance.

The depreciation charge for each period is recognised in surplus or deficit unless it is included in the carrying amount of another asset.

The gain or loss arising from de-recognition of an item of property, plant and equipment is included in surplus or deficit when the item is de-recognised. The gain or loss arising from de-recognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item.

8. LEASES

The Municipality as Lessee

Leases are classified as finance leases where substantially all the risks and rewards associated with ownership of an asset are transferred to the Municipality. Property, plant and equipment subject to finance lease agreements are capitalised at their cash cost equivalent and the corresponding liabilities are raised.

The cost of the item of property, plant and equipment is depreciated at appropriate rates on the straight-line basis over its estimated useful life. Lease payments are allocated between the lease finance cost and the capital repayment using the effective interest rate method. Lease finance costs are expensed when incurred.
Operating leases are those leases that do not fall within the scope of the above definition. Operating lease expenses are recognised on a straight-line basis over the lease term.

The Municipality as Lessor

Amounts due from lessees under finance leases or instalment sale agreements are recorded as receivables at the amount of the Municipality's net investment in the leases. Finance lease or instalment sale income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Municipality's net investment outstanding in respect of the leases or instalment sale agreements.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease.

Depreciation on leased assets has been calculated in accordance with GRAP 17 Property, plant and equipment.

**ACCOUNTING POLICIES TO THE ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014 (continued)**

9. IMPAIRMENT OF NON-FINANCIAL ASSETS

In assessing whether there is any indication that an asset may be impaired, the following have been considered:

External sources of information

Cessation or near cessation, of the demand or need for services provided by the asset;
Significant long-term changes with an adverse effect on the entity that have taken place during the period will take place in the near future, in the technological, legal or government policy environment in which the municipality operates.

Internal sources of information

Evidence of physical damage of an asset;
Increased expenditure on repairs and maintenance on the asset.

Impairment of Cash generating assets

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment.

Assets that are subject to amortisation are reviewed for impairment whenever events or circumstances indicate that the carrying amount may not be recoverable.
An impairment loss is recognised for the amount by which the carrying amount exceeds the recoverable amount.

The recoverable amount is the higher of the assets Fair Value less cost to sell, or its value in use.

Impairment of Non-cash generating assets

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment.

Assets that are subject to amortisation are reviewed for impairment whenever events or circumstances indicate that the serviceable amount may not be recoverable.
An impairment loss is recognised for the amount by which the carrying amount exceeds the serviceable amount.

The serviceable amount is the higher of the assets Fair Value less cost to sell, or its value in use.

10. INTANGIBLE ASSETS

An asset is identified as an intangible asset when it:

- is capable of being separated or divided from an entity and sold, transferred, licensed, rented or exchanged, either individually or together with a related contract, assets or liability, or
- arises from contractual rights or other legal rights, regardless whether those rights are transferable or separate from the Municipality or from other rights and obligations.

ACCOUNTING POLICIES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014 (continued)

10.1. INITIAL RECOGNITION

An intangible asset is an identifiable non-monetary asset without physical substance. Examples include computer software, licenses and development costs.
The municipality recognises an intangible asset in its Statement of Financial Position only when it is probable that the expected future economic benefits or the service potential that are attributable to the asset will flow to the municipality and the cost or fair value of the asset can be measured reliably.

Internally generated intangible assets are subject to strict recognition criteria before they are capitalised. Research expenditure is never capitalised, while development expenditure is only capitalised to the extent that:

- the Municipality intends to complete the intangible asset for use or sale
- it is technically feasible to complete the intangible asset
- the Municipality has the resources to complete the project, and
- it is probable that the Municipality will receive future economic benefits or service potential

Acquired computer software licenses are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. Internally generated intangible assets are subject to strict recognition criteria before they are capitalised.

Intangible assets are initially recognised at cost. Where an intangible asset is acquired by the municipality for no or nominal consideration (i.e. a non-exchange transaction), the cost is deemed to be equal to the fair value of that asset on the date acquired.

10.2. SUBSEQUENT MEASUREMENT

Intangible assets are carried at its cost less any accumulated amortisation and any accumulated impairment losses.

10.3. AMORTISATION AND IMPAIRMENT

The cost of an intangible asset is amortised over the useful life of 3 years.
The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at each reporting date and any changes are recognised as a change in accounting estimate in the Statement of Financial Performance.

10.4. DERECOGNITION

An intangible asset is derecognised when it is permanently withdrawn from use and no future economic benefit or service potential is derived from it. The gain or loss arising from the disposal of an intangible asset is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the asset. It is recognised in surplus or deficit when the intangible asset is derecognised.

**ACCOUNTING POLICIES TO THE ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014 (continued)**

11. INVESTMENT PROPERTIES

11.1. INITIAL RECOGNITION

Investment property is recognised as an asset, only where:

- It is probable that the future economic benefits or service potential that are associated with the investment property will flow to the entity; and
- The cost or fair value of the investment property can be measured reliably.

Investment properties have been initially measured at cost (Transaction costs which are costs directly attributable to the expenditure, legal fees, conveyancing fees etc shall be included in this initial measurement). If payment for investment property is deferred, its cost is the cash price equivalent. The difference between this amount and the total payments is recognised as interest expense over the period of credit.

Investment properties that meet the criteria to be classified as held for sale (or are included in a disposal group that is classified as held for sale) are measured in accordance with GRAP 100, at the lower of its carrying amount or its fair value less costs to sell.

11.2. SUBSEQUENT MEASUREMENT

Subsequently investment properties are stated at cost less accumulated depreciation and accumulated impairment losses.
Depreciation is calculated on cost, using the straight-line method over the useful life of the property. Vacant land held under investment properties is not depreciated.
An investment property is derecognised upon disposal, or when it is permanently withdrawn from use and no future economic benefits or service potential are expected from its disposal. Any gain or loss arising from the retirement or disposal of investment property is included in surplus or deficit in the period of the retirement or disposal.

12. INVENTORIES

Consumable stores, raw materials, work-in-progress and finished goods and land held for sale are valued at the lower of cost and net realisable value.
In general, the basis of determining cost is the first-in, first-out method.

Unsold water at year-end is valued at the lower of cost and net realizable value.

For the land component recognised in terms of GRAP 12 land is recognised at cost with the cost based on fair value at date of recognition. Assessing historical cost of land and then breaking it down into individual was impractical and inaccurate. The 2007/8 valuation of land in terms of the Municipality Property Rates Act, Act No 6 of 2004 (MPRA), which is very reliable, was used to determine cost.

Redundant and slow-moving inventories are identified and written down from cost to net realizable value with regard to their estimated economic or realisable values.

**ACCOUNTING POLICIES TO THE ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014 (continued)**

13. REVENUE RECOGNITION

13.1. REVENUE FROM EXCHANGE TRANSACTIONS

Revenue from exchange transactions refers to revenue that accrued to the Municipality directly in return for services rendered/goods sold, the value of which approximates the consideration received or receivable.
Service charges relating to electricity and water are based on consumption. Meters are read on a monthly basis and are recognised as revenue in the period of consumption. Where meters cannot be read during a particular month, they are provisionally billed with the necessary adjustments made in the month in which they were read. Revenue from the sale of electricity prepaid meter cards is deferred and recognised as revenue on the consumption basis, commencing on date of purchase.

Service charges relating to refuse removal are recognised on a monthly basis in arrears by applying the approved tariff to each property that has improvements. Tariffs are determined per category of property usage, and are levied monthly based on the number of refuse containers on each property, regardless of whether or not all containers are emptied.
Service charges from sewerage are based on the water consumption on each developed property using the tariffs approved from Council and are levied monthly.

Interest and rentals are recognised on a time apportionment basis. Revenue arising from the application of the approved tariff of charges is recognised when the relevant service is rendered by applying the relevant gazetted tariffs. This includes the issuing of licences and permits.

Income for agency services is recognised on a monthly basis once the income collected on behalf of agents has been quantified. The income recognised is in terms of the agency agreement.

Revenue from the sale of goods is recognised when the risk is passed to the consumer.

Revenue from public contributions is recognised when all conditions associated with the contribution has been met or where the contribution is to finance property, plant and equipment, when such items of property, plant and equipment is brought into use. Where public contributions have been received but the municipality has not met the condition, a liability is recognised.

Revenue from exchange transactions is measured at the fair value of the consideration received or receivable taking into account the amount of any trade discounts allowed by the Municipality,

13.2. REVENUE FROM NON-EXCHANGE TRANSACTIONS

Revenue from non-exchange transactions refers to transactions where the Municipality received revenue from another entity without directly giving approximately equal value in exchange. Revenue from non-exchange transactions is generally recognised to the extent that the related receipt or receivable qualifies for recognition as an asset and there is no liability to repay the amount.
Revenue from property rates is recognised when the legal entitlement to this revenue arises. Collection charges are recognised when such amounts are legally enforceable. Penalty interest on unpaid rates is recognised on a time proportion basis.

Fines constitute both spot fines and summonses. Revenue from spot fines and summonses is recognised when it is accrued. There's uncertainty regarding full recoverability of outstanding fines and summons. Spot fines are usually not given directly to an offender. Further legal processes have to be undertaken before the spot fine is enforceable. In respect to summon, the Public Prosecutor can decide whether to waive the fine, reduce it or prosecute for non-payment by the offender.

Donations are recognised on a cash receipt basis or where the donation is in the form of property, plant and equipment, when such items of property, plant and equipment are brought into use furthermore Revenue from public contributions and donations is recognised when all conditions associated with the contribution have been met or where the contribution is to finance property, plant and equipment, when such items of property, plant and equipment qualifies for recognition and first becomes available for use by the Municipality. Where public contributions have been received but the Municipality has not met the related conditions, a deferred income (liability) is recognised.

Revenue from the recovery of unauthorised, irregular, fruitless and wasteful expenditure is based on legislated procedures, including those set out in the Municipal Finance Management Act (Act No. 56 of 2003) and is recognised when the recovery thereof from the responsible Councillors or officials is virtually certain

Contributed property, plant and equipment are recognised when such items or property, plant and equipment are brought into use.

Revenue received from conditional grants, donations and funding are recognised as revenue to the extent that the Municipality has complied with any of the criteria, conditions or obligations embodied in the agreement. To the extent that the criteria, conditions or obligations have not been met a liability is recognized.

The liability is transferred to revenue as and when the conditions attached to the grant are met. Grants without any conditions attached are recognised as revenue when the asset is recognised.
When an inflow of cash and cash equivalents is deferred the fair value of the consideration may be less than the nominal amount of cash received or receivable. The consideration is determined by discounting all future receipts using an imputed rate of interest.

The imputed rate of interest is the more clearly determinable of either:
(a) the prevailing rate for a similar instrument of an issuer with a similar credit rating; or
(b) a rate of interest that discounts the nominal amount of the instrument to the current cash sales price of the goods or services. The difference between the fair value and the nominal amount of the consideration is recognised as interest revenue.

ACCOUNTING POLICIES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014 (continued)

14. PROVISIONS AND CONTINGENCIES

Provisions are recognised when the Municipality has a present or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the provision can be made. Provisions are reviewed at reporting sheet date and adjusted to reflect the current best estimate. Contingent Liabilities and Assets are not recognized but disclosed.

The Municipality does not recognise a contingent liability or contingent asset. A contingent liability is disclosed unless the possibility of an outflow of resources embodying economic benefits is remote. A contingent asset is disclosed where an inflow of economic benefits is probable.
Future events that may affect the amount required to settle an obligation are reflected in the amount of a provision where there is sufficient objective evidence that they will occur. Gains from the expected disposal of assets are not taken into account in measuring a provision. Provisions are not recognised for future operating losses. The present obligation under an onerous contract is recognised and measured as a provision.

A provision for restructuring costs is recognised only when the following criteria over and above the recognition criteria of a provision have been met:

(a) The Municipality has a detailed formal plan for the restructuring identifying at least:
the business or part of a business concerned
the principal locations affected.
the location, function and approximate number of employees who will be compensated for terminating their services.
the expenditures that will be undertaken when the plan will be implemented; and

(b) The Municipality has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement that plan or announcing its main features to those affected by it.

15. HOUSING DEVELOPMENT FUND

Housing selling schemes both complete and in progress at 1 April 1998, were also transferred to the Housing Development Fund. All proceeds from housing developments, which include rental income and sales of houses, is paid into the Housing Development Fund. Monies standing to the credit of the Housing Development Fund are used to finance housing developments within the municipal area.

16. RETIREMENT BENEFITS

The Municipality provides post- retirement medical aid benefits to retired employees. The entitlement to these benefits is usually conditional on the employee remaining in employment up to retirement age.

The Expected costs of these benefits are accrued of the period of employment. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized immediately in the statement of financial performance for the reporting period. The Defined benefit obligations are valued once in two years by independent qualified actuaries.

17. BORROWING COSTS

The municipality capitalises borrowing costs incurred that are directly attributable to the acquisition, construction or production of a qualifying asset as part of the cost of that asset only when the commencement date for capitalisation is on or after 1 July 2008, while all other borrowing costs incurred (including borrowing cost incurred on qualifying assets where the commencement date for capitalisation is prior to 1 July 2008) are recognised as an expense in the Statement of Financial Performance in accordance with the requirements of GRAP 5 and ASB Directive 3.

It is considered inappropriate to capitalise borrowing costs where the link between the funds borrowed and the capital asset acquired cannot be adequately established - the municipality expenses borrowing costs when it is inappropriate to capitalise it. The municipality ceases the capitalisation of borrowing costs when substantially all the activities to prepare the asset for its intended use or sale are complete.

18. FINANCIAL INSTRUMENTS

18.1. CLASSIFICATION

The Municipality has types of financial instruments and these can be broadly categorised as either Financial Assets or Financial Liabilities.

18.1.1. Initial recognition

Financial Instruments are recognized when the Municipality becomes a party to the contractual provisions of the instrument, and are initially measured at fair value. The classification of financial instruments and purpose is determined at the time of initial recognition.

18.1.2. Subsequent measurement

Financial assets are categorised according to their nature as either financial assets at fair value through profit or loss, held to maturity, loans and receivables, or available for sale. Financial liabilities are categorized as either at fair value through profit or loss or financial liabilities carried at amortised cost ('other'). The subsequent measurement of financial assets and liabilities depends on this categorisation and, in the absence of an approved GRAP Standard on Financial Instruments, is in accordance with GRAP 104.

Financial assets are categorised according to their nature as either financial assets at fair value through profit or loss, held to maturity, loans and receivables, or available for sale. Financial liabilities are categorized as either at fair value through profit or loss or financial liabilities carried at amortised cost ('other'). The subsequent measurement of financial assets and liabilities depends on this categorisation and, in the absence of an approved GRAP Standard on Financial Instruments, is in accordance with GRAP 104.

18.1.3. Investments

All investments are considered to be available-for-sale investments as the intention is to grow the value of the investment portfolios over a long-term horizon.

18.1.4. Trade and other receivables

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are as follows:

Trade and other receivables are categorised as financial assets: loans and receivables and are initially recognised at fair value and subsequently carried at amortised cost. Amortised cost refers to the initial carrying amount, plus interest, less repayments and impairments. An estimate is made for doubtful receivables based on a review of all outstanding amounts at year end. The fair value of Debtors is estimated as the present value of future cash flows, discounted at the market rate of interest at the reporting date.

Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 30 days overdue) are considered indicators that the trade receivable is impaired. Impairments are determined by discounting expected future cash flows to their present value. Amounts that are receivable within 12 months from the reporting date are classified as current.

An impairment of trade receivables is accounted for by reducing the carrying amount of trade receivables through the use of an allowance account, and the amount of the loss is recognised in the Statement of Financial Performance within operating expenses. When a trade receivable is uncollectible, it is written off. Subsequent recoveries of amounts previously written off are credited against operating expenses in the Statement of Financial Performance.

18.1.5. Trade and other payables from exchange transactions

Financial liabilities consist of trade payables and borrowings. They are categorised as financial liabilities held at amortised cost, are initially recognised at fair value and subsequently measured at amortised cost which is the initial carrying amount, less repayments, plus interest. The fair value of Creditors is estimated as the present value of future cash flows, discounted at the market rate of interest at the reporting date

18.1.6. Borrowings and other financial liabilities

Borrowings are recognised initially at fair value, net transaction costs incurred. Borrowings are subsequently stated at amortised cost. Long-term borrowings are non-derivative financial loans and the Municipality does not hold financial loans for trading purposes. Long-term borrowings are utilised. Other financial liabilities are carried at amortised cost.

The interbank rate or prime lending rate is not the risk-free interest rate, however it has been used as a benchmark for determining the market related rate of interest which is not significantly different to the current rates on long-term loans, hence the fair value of these loans equates their amortised cost.

18.1.7. Cash and cash equivalents

Cash includes cash on hand (including petty cash) and cash with banks (including call deposits).

Cash equivalents are short-term highly liquid investments, readily convertible into known amounts of cash that are held with registered banking institutions with maturities of three months or less and are subject to an insignificant risk of change in value.

For the purposes of the Cash Flow Statement, cash and cash equivalents comprise cash on hand, deposits held on call with banks, net of bank overdrafts. The Municipality categorises cash and cash equivalents as Financial assets: loans and receivables. The closing balance on the bank account is representative of its fair value of the monies held

Bank overdrafts are recorded based on the facility utilised. Finance charges on bank overdrafts are expensed as incurred. Amounts owing in respect of bank overdrafts are categorised as Financial liabilities: other financial liabilities carried at amortised cost.

18.1.8. Retirement benefit obligations

The Municipality's future obligations in respect of its defined benefit pension plans and its post-employment medical benefit plan are determined using actuarial valuations. An actuarial valuation involves making various assumptions. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions.

18.2. INVESTMENTS

Investments, which include listed government bonds, unlisted municipal bonds, fixed deposits and short-term deposits invested in registered commercial banks, are categorized as financial instruments and are measured at amortised cost.

Where investments have been impaired, the carrying value is adjusted by the impairment loss, which is recognised as an expense in the period that the impairment is identified. Impairments are calculated as being the difference between the carrying amount and the present value of the expected future cash flows flowing from the instrument. On disposal of an investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the Statement of Financial Performance.

18.3. TRADE AND OTHER RECEIVABLES

Trade and other receivables are categorized as financial assets: loans and receivables and recognised at fair value and subsequently carried at amortised cost. Amortised cost refers to the initial carrying amount, plus interest, less repayments and impairments. An estimate is made for doubtful receivables based on a review of all outstanding amounts at year-end.

Significant financial difficulties of the debtor, probabilities that the debtor will enter bankruptcy or financial reorganization, and default or delinquency in payments (more than 60 days overdue) are considered indicators that the trade receivable is impaired. Impairments are determined by discounting expected future cash flows to their present value. Amounts that are receivable within 12 months from the reporting date are classified as current.

An impairment of trade receivables is accounted for by reducing the carrying amount of trade receivables and the amount of the loss is recognised in the Statement of Financial Performance within operating expenses. When a trade receivable is uncollectible, it is written off.

18.4. TRADE PAYABLES FROM EXCHANGE TRANSACTIONS, BORROWINGS AND OTHER FINANCIAL LIABILITIES

18.4.1. Trade and other payables from exchange transactions

Financial liabilities consist of trade payables and borrowings. They are categorised as financial liabilities held at amortised cost, are initially recognised at fair value and subsequently measured at amortised cost which is the initial carrying amount, less repayments, plus interest. Amounts that are payable within 12 months from the reporting date are classified as current.

18.4.2. Borrowings and other financial liabilities

Borrowings are recognised initially at fair value, net transaction costs incurred. Borrowings are subsequently stated at amortised cost.

Long-term borrowings are non-derivative financial loans and the Municipality does not hold financial loans for trading purposes. Long-term borrowings are utilised. Other financial liabilities are carried at amortised cost.

18.5. CASH AND CASH EQUIVALENTS

Cash includes cash on hand (including petty cash) and cash with banks (including call deposits). Cash equivalents are short-term highly liquid investments, readily convertible into known amounts of cash that are held with registered banking institutions with maturities of three months or less and are subject to an insignificant risk of change in value.

For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held on call with banks, net of bank overdraft.

Bank overdrafts are recorded based on the facility used. Finance charges on bank overdraft are expensed as incurred. Amounts owing in respect of bank overdrafts are categorised as financial liabilities.

19. HERITAGE ASSETS

A heritage asset is defined as an asset that has a cultural, environmental, historical, natural, scientific, technological or artistic significance and is held and preserved indefinitely for the benefit of present and future generations.

19.1.1. Initial recognition

A heritage asset that qualifies for recognition as an asset shall be measured at its cost. Where a heritage asset is acquired through a non-exchange transaction, its cost is deemed to be its fair value as at the date of acquisition.

19.1.2. Subsequent measurement

Heritage assets are not depreciated, since their long economic life and high residual value mean that any depreciation would be immaterial.

After recognition as an asset, heritage assets shall be carried at its cost less any accumulated impairment losses. The Municipality assesses at each reporting date whether there are any indicators of impairment of Heritage assets. Where there is an indication of impairment the assets are recorded at their recoverable amount or their recoverable service amount.

The fair value of the Heritage assets where they differ materially from their cost, or they are not materially different indicate that the fair value approximates their cost value.

19.1.3. De-recognition

A Heritage asset is de-recognised when it is disposed or where there is no future economic benefits or service potential are expected from its use or disposal. The gain or loss arising from de-recognition, is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the heritage asset. Such difference is recognised in surplus or deficit when the heritage asset is derecognized.

20. POST RETIREMENT BENEFITS AND SHORT TERM BENEFITS

20.1.1. Short-term employee benefits

The cost of short-term employee benefits, (those payable within 12 months after the service is rendered, such as paid vacation leave and sick leave, bonuses, and non-monetary benefits such as medical care), are recognised in the period in which the service is rendered and are not discounted.

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs. The expected cost of bonus payments is recognised as an expense when there is a legal or constructive obligation to make such payments as a result of past performance.

20.1.2. Actuarial gains and losses

Actuarial gains and losses are recognised in full in the year that they occur in the statement of financial performance.

21. BUDGET INFORMATION

The budget is prepared on an accrual basis. The budget amounts are scheduled as a spate additional financial statement called the statement of comparison of budget and actual amounts.

Explanatory comments are provided in the notes to the annual financial statements, first stating reasons for changes from approved to final budget and secondly reasons for overspending or underspending on line items.

**ACCOUNTING POLICIES TO THE ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014 (continued)**

22. UNAUTHORISED EXPENDITURE

Unauthorized expenditure is expenditure that has not been budgeted, expenditure that is not in terms of the conditions of an allocation received from another sphere of government, municipality or organ of state and expenditure in the form of a grant that is not permitted in terms of the Municipal Finance Management Act (Act No.56 of 2003).

Unauthorized expenditure is accounted for as an expense in the Statement of Financial Performance and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance.

23. IRREGULAR EXPENDITURE

Irregular expenditure is expenditure that is contrary to the Municipal Finance Management Act (Act No.56 of 2003), the Municipal Systems Act (Act No.32 of 2000), the Public Office Bearers Act (Act No. 20 of 1998) or is in contravention of the Municipality's supply chain management policy. Irregular expenditure excludes unauthorised expenditure.

Irregular expenditure excludes unauthorised expenditure. Irregular expenditure is accounted for as expenditure in the Statement of Financial Performance and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance.

24. FRUITLESS AND WASTEFUL EXPENDITURE

Fruitless and wasteful expenditure is expenditure that was made in vain and would have been avoided had reasonable care been exercised. Fruitless and wasteful expenditure is accounted for as expenditure in the Statement of Financial Performance and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance.

25. TAX

25.1. Normal Tax Expense:

No provision has been made for taxation as the municipality is exempt from taxation in terms of section 10(1)(A) of the Income Tax Act.

25.2. VAT

The Municipality accounts for Value Added Tax on payments basis. This means that VAT is declared to the South African Revenue Services as input VAT or output VAT only when payments are made to suppliers or payments are received for goods or services. The net output VAT on debtors where money has not been received or creditors where payment has not been made is disclosed separately in the Statement of Financial Position in terms of GRAP 1.

26. COMPARATIVE INFORMATION

26.1. Current year comparatives:

Budgeted amounts have been included in the annual financial statements for the current financial year only.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

	2014 R	2013 R
1. HOUSING DEVELOPMENT FUND		
The Housing Development Fund is represented by the following assets		
Fixed Assets	75 849 688	71 031 750
Bank and cash	12 183 994	32 123 792
Accumulated surplus	(38 100 138)	(52 849 740)
Total Housing Development Fund Assets and Liabilities	**49 933 544**	**50 306 402**
2. LONG-TERM LIABILITIES		
Annuity Loans	726 466 370	731 473 690
Less: Current portion transferred to current liabilities	(124 739 142)	(106 224 186)
Total Long-Term Liabilities	**601 727 228**	**625 249 504**

Refer to Appendix A for more detail on long-term liabilities

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014 (continued)

2. LONG-TERM LIABILITIES (continued)

	External Loans repayments - future years												
	DBSA	**DBSA**	**INCA**	**Standard Bank**	**Nedbank**	**INCA**	**DBSA**	**DBSA**	**DBSA**	**Nedbank**	**Nedbank**	**Nedbank**	**Total**
	14 219 507	4 297 848	8 386 203	18 967 799	22 911 385	133 205 828	144 396 146	20 379 016	63 701 321	128 102 346	67 871 218	100 027 753	**726 466 370**
	12.00%	14.50%	13.95%	7.59%	5.75%	8.75%	11.70%	6.75%	11.57%	11.26%	9.59%	10.13%	
2015	5 347 477	1 403 464	2 570 621	13 868 896	12 337 728	33 473 084	42 207 733	4 871 725	17 142 868	31 894 160	12 302 863	19 878 832	**197 299 450**
2016	5 347 477	1 403 464	2 570 621	6 934 448	6 168 864	33 473 084	42 207 733	4 871 725	17 142 868	31 894 160	12 302 863	18 889 422	**183 206 729**
2017	5 347 477	1 403 464	2 570 621			33 473 084	42 207 733	4 871 725	17 142 868	31 894 160	12 302 863	17 851 444	**169 065 439**
2018	5 347 477	1 403 464	2 570 621			33 473 084	42 207 733	4 871 725	17 142 868	31 894 160	12 302 863	16 819 016	**168 033 011**
2019			1 298 842			33 473 084	21 103 724	4 871 725	17 142 868	31 894 160	12 302 863	15 812 955	**137 900 221**
2020										15 947 080	12 302 863	14 854 074	**43 104 017**
2021											12 302 863	13 800 832	**26 103 695**
2022											12 302 863	12 787 832	**25 090 695**
2023												11 773 444	**11 773 444**
2024												10 757 668	**10 757 668**
	21 389 908	**5 613 856**	**11 581 326**	**20 803 344**	**18 506 592**	**167 365 420**	**189 934 656**	**24 358 625**	**85 714 340**	**175 417 880**	**98 422 904**	**153 225 518**	**972 334 368**

Disclosure about the Terms and Conditions of Financial Instruments - Borrowings

Future payments are based on the balances at 30 June 2014

(i) The interest rate applicable to the Standard Bank and Nedbank loans is variable and yearly instalments are therefore subject to interest rate risk

(ii) Lease liability has been settled in full

(iii) Yearly instalments payable bi-annually, consist of capital redemption and interest due. No other requirements are attached.

(iv) No early settlement options are available to Council.

(v) Conversion options are not available.

(vi) There is no security given against the loans

(vii) Receipts or payments of the loans are in South African currency

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014 (continued)

	2014 R	2013 R
3. CONSUMER DEPOSITS		
Electricity and Water	37 644 455	35 678 241
Other	7 263 820	4 100 838
Total Deposits	**44 908 275**	**39 779 079**
Guarantees held in lieu of Electricity and Water Deposits	**52 819 433**	**52 089 633**
4. TRADE AND OTHER PAYABLES		
Trade payables	86 182 250	60 931 142
Other payables	176 343 797	113 957 127
Retentions	17 723 430	10 482 128
Amounts received in advance	59 008 180	64 905 237
Total Trade and Other Payables	**339 257 657**	**250 275 634**
5. UNSPENT CONDITIONAL GRANTS AND RECEIPTS		
Conditional Grants from other spheres of Government		
Financial Management Grant	-	1 489 726
Restructuring Grant	9 385	215 969
Municipal Systems Improvement Grant	-	-
Infrastructure Skills Development Grant	(989 452)	(778 800)
Municipal Infrastructure Grant	50 314 601	64 763 706
Energy Efficiency and Demand Side Management Grant	3 292 740	6 683 312
Extended Public Works Programme Integrated Grant	-	(3 915)
Municipal Water Infrastructure Grants	12 233 687	-
Rural Household Infrastructure Grant	4 000 000	-
Provincial Local Government Grants	3 179 230	11 255 977
Provincial Development Planning Grants	8 459	54 849
Provincial Housing Grants	25 291 978	28 101 143
Provincial Library Services Subsidies	421 375	215 729
Provincial Community Development Workers Programme	19 038	19 038
Provincial Department of Transport Subsidy	-	167 279
Department of Sport and Recreation	540 902	12 666
Department of Water Affairs (DWAF) - Water Services Programme	205 307	205 307
DWAF - Refurbishment Grant	-	70
DWAF - Water Conservation and Demand Management Grant	177 060	889 236
Department of Agriculture and Environmental Affairs	207 379	385 941
uThungulu District Municipality - Capacity Building Grant	1 771	3 513
uThungulu District Municipality - Museum Operating Subsidy	11 849	11 849
uThungulu District Municipality - Hosting of Annual SMME Fair	-	110 043
Department of Minerals and Energy	(7 093 892)	-
Department of Economic Development and Tourism	400 000	-
	92 231 417	**113 802 638**

Refer to Note 18 for reconciliation of grants from other spheres of government

	2014 R	2013 R
6. VAT		
Output suspense	20 585 182	12 010 918
Input suspense	(26 827 952)	(15 530 057)
Output payable	(3 314 004)	(12 494 647)
VAT receivable/ (claimable)	**(9 556 774)**	**(16 013 786)**

VAT is payable on the payment basis. Only once payment is made or received is VAT claimed or paid over to SARS. All VAT returns have been submitted by the due date throughout the year.

	2014 R	2013 RESTATED R
7. INVENTORY		
Consumables stores - at cost	13 108 447	14 932 438
Water - at cost	336 050	255 850
Land	59 555 000	60 315 000
Closing balance of inventories	**72 999 497**	**75 503 288**

8. HERITAGE ASSETS	**Buildings**	**Other**	**Paintings and Statues**	**Total**
As at 30 June 2013				
Opening balance	2 242 681	-	245 913	2 488 594
Transfers/ Adjustments	-	-	-	-
Additions	-	-	-	-
Disposals	-	-	-	-
Closing balance	**2 242 681**	**-**	**245 913**	**2 488 594**
As at 30 June 2014				
Opening balance	2 242 681	-	245 913	2 488 594
Transfers/ Adjustments	-	-	-	-
Additions	-	235 101	-	235 101
Disposals	-	-	-	-
Closing balance	**2 242 681**	**235 101**	**245 913**	**2 723 695**

9. PROPERTY, PLANT AND EQUIPMENT

30 June 2014						
Reconciliation of carrying values	**Land**	**Housing**	**Infrastructure**	**Community**	**Other**	**Total**
Carrying Values	**538 179 950**	**71 553 999**	**3 129 608 591**	**197 362 747**	**205 740 132**	**4 142 445 419**
At 1 July 2013						
Cost	538 179 950	78 659 014	9 588 583 849	287 204 932	456 134 986	10 948 762 731
Accumulated depreciation	-	(7 105 015)	(6 458 975 258)	(89 842 185)	(250 394 854)	(6 806 317 312)
Acquisitions	-	-	99 113 311	10 956 701	40 551 500	150 621 512
Capital under construction	-	5 492 718	132 729 605	6 551 977	5 104 934	149 879 234
Transfer to inventory land	(3 203 000)	-	-	-	-	(3 203 000)
Transfer from investment properties	-	-	-	-	-	-
Transfer of accumulated depreciation	-	-	-	-	-	-
Depreciation	**-**	**(1 197 029)**	**(196 960 777)**	**(10 758 129)**	**(32 058 386**	**(240 974 320)**
Cost	-	(1 197 029)	(196 960 777)	(10 758 129)	(32 058 386)	(240 974 320)
Revaluation	-	-	-	-	-	-
Carrying value of disposals	**-**	**-**	**-**	**-**	**(43 101)**	**(43 101)**
Cost	-	-	-	-	(64 312)	(64 312)
Revaluation	-	-	-	-	-	-
Accumulated depreciation	-	-	-	-	21 211	21 211
Carrying Values	**534 976 950**	**75 849 688**	**3 164 490 730**	**204 113 296**	**219 295 080**	**4 198 725 743**
At 30 June 2014						
Cost	534 976 950	84 151 732	9 820 426 765	304 713 610	501 727 108	11 245 996 165
Accumulated depreciation	-	(8 302 044)	(6 655 936 035)	(100 600 314)	(282 432 029)	(7 047 270 422)

9. PROPERTY, PLANT AND EQUIPMENT (continued)

30 June 2013 RESTATED						
Reconciliation of carrying values	**Land**	**Housing**	**Infrastructure**	**Community**	**Other**	**Total**
Carrying Values	**545 330 950**	**66 104 239**	**3 339 184 675**	**205 092 713**	**191 567 664**	**4 347 280 241**
At 1 July 2012						
Cost	545 330 950	72 613 358	9 513 658 738	283 577 376	435 468 886	10 850 649 308
Accumulated depreciation	-	(6 509 119)	(6 174 474 063)	(78 484 663)	(243 901 222)	(6 503 369 067)
Acquisitions	-	-	17 120 428	1 107 928	20 492 620	38 720 976
Capital under construction	-	6 045 656	57 804 683	2 519 628	2 263 616	68 633 583
Transfer to inventory land	(7 151 000)	-	-	-	-	(7 151 000)
Transfer from investment properties	-		-	-	272	272
Transfer of accumulated depreciation	-		-	-	(272)	(272)
Depreciation	-	(1 118 145)	(288 324 225)	(12 477 129)	(41 605 406)	(343 524 905)
Cost	-	(1 118 145)	(288 324 225)	(12 477 129)	(41 605 406)	(343 524 905)
Revaluation	-	-	-	-	-	-
Carrying value of disposals	-	-	-	-	(140 523)	(140 523)
Cost	-	-	-	-	(2 090 408)	(2 090 408)
Revaluation	-	-	-	-	-	-
Accumulated depreciation	-	-	-	-	1 949 885	1 949 885
Correction of Accumulated Depreciation - prior year error		522 249	3 823 030	1 119 607	33 162 161	38 627 047
Carrying Values	**538 179 950**	**71 553 999**	**3 129 608 591**	**197 362 747**	**205 740 132**	**4 142 445 419**
At 30 June 2013						
Cost	538 179 950	78 659 014	9 588 583 848	287 204 932	456 134 986	10 948 762 731
Accumulated depreciation	-	(7 105 015)	(6 458 975 258)	(89 842 185)	(250 394 854)	(6 806 317 312)

	R
10. INTANGIBLE ASSETS	
As at 1 July 2012	
Cost	17 646 064
Accumulated amortisation	(10 866 766)
Carrying value	**6 779 298**
Acquisitions	4 374 224
Disposals	-
Work-in-progress	1 049 774
Amortisation	(1 657 881)
Correction of accumulated depreciation - prior year	642 261
As at 30 June 2013	
Cost	23 070 062
Accumulated amortisation	(11 882 386)
Carrying value	**11 187 676**
Acquisitions	3 599 443
Disposals	-
Amortisation	(2 627 456)
As at 30 June 2014	
Cost	26 669 505
Accumulated amortisation	(14 509 842)
Carrying value	**12 159 663**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

11. INVESTMENT PROPERTY

30 June 2014

TOWN STAND #	STAND #	DEEDS #	NAME	LIFESPAN	CARRYING VALUES AS AT 01 JULY 2013	COST	ACCUM DEPRECIATION	DEPRECIATION	CARRYING VALUES AS AT 30 JUNE 2014	COST	ACCUM DEPRECIATION
EMPANGENI	45	T29874/1996	Zululand Built-It	0	1 000	1 000	-	-	1 000	1 000	-
EMPANGENI	56	T2643/1933	Manilall A	0	4 300 000	4 300 000	-	-	4 300 000	4 300 000	-
EMPANGENI	63	T2437/1970	Y S Cellular CC	0	2 000 000	2 000 000	-	-	2 000 000	2 000 000	-
RICHARDS BAY	67	T40386/2001	Van Rooyen K M	0	1 350 000	1 350 000	-	-	1 350 000	1 350 000	-
RICHARDS BAY	GV15825	T12114/1976	Richards Bay Airport Company (PTY) LTD	25	21 524 120	25 315 591	(3 791 471)	(617 359)	20 906 760	25 315 591	(4 408 831)
EMPANGENI	246	G93/1960	Emanzini Leisure Resort	0	1 100 000	1 100 000	-	-	1 100 000	1 100 000	-
RICHARDS BAY	617	T22887/2000	Meerensee Mall Scoonies Vier	25	4 698 902	6 663 646	(1 964 744)	(77 709)	4 621 193	6 663 646	(2 042 453)
RICHARDS BAY	620	T15638/1978	Schoonies Vier (PTY) LTD	0	4 500 000	4 500 000	-	-	4 500 000	4 500 000	-
NGWELEZANE	752	T64286/2000	Biyela A S	0	47 000	47 000	-	-	47 000	47 000	-
NSELENI	1342	TG65440/2003	Gumede S M	0	40 000	40 000	-	-	40 000	40 000	-
EMPANGENI	2015	T5367/1980	Mtshali D	0	680 000	680 000	-	-	680 000	680 000	-
RICHARDS BAY	2305	G128/1973	Bundu Nursery	0	250 000	250 000	-	-	250 000	250 000	-
RICHARDS BAY	5333	T14569/1979	Grindrod Terminals	0	9 000 000	9 000 000	-	-	9 000 000	9 000 000	-
RICHARDS BAY	5333	T6915/1993	Benians B S Construction	0	1 000 000	1 000 000	-	-	1 000 000	1 000 000	-
RICHARDS BAY	5333	T6915/1993	Benians B S Construction	0	700 000	700 000	-	-	700 000	700 000	-
RICHARDS BAY	5333	T6915/1993	Lease Group 5 Civils	0	860 000	860 000	-	-	860 000	860 000	-
RICHARDS BAY	5333	T6915/1993	Morganrite SA (PTY) LTD	0	180 000	180 000	-	-	180 000	180 000	-
RICHARDS BAY	5333	T4097/2006	Lease Foskor (Gypsum Dam)	0	70 000	70 000	-	-	70 000	70 000	-
RICHARDS BAY	5333	T4097/2006	Lease Foskor (Retention Dam)	0	250 000	250 000	-	-	250 000	250 000	-
RICHARDS BAY	5333	T4097/2006	Lease Foskor (Conveyer Beld)	0	75 000	75 000	-	-	75 000	75 000	-
RICHARDS BAY	5333	T4097/2006	Lease Foskor (Conveyer Beld)	0	500 000	500 000	-	-	500 000	500 000	-
RICHARDS BAY	5333	T4097/2006	Waste Site	0	1 500 000	1 500 000	-	-	1 500 000	1 500 000	-
RICHARDS BAY	5333	T19417/2001	Lease Grindrod Terminals	0	1 500 000	1 500 000	-	-	1 500 000	1 500 000	-
RICHARDS BAY	5333	T19417/2001	Green Africa Nursery	0	150 000	150 000	-	-	150 000	150 000	-
RICHARDS BAY	5333	T19417/2001	Ribeiro L M R	0	4 500 000	4 500 000	-	-	4 500 000	4 500 000	-
RICHARDS BAY	6364	T4199/1980	Checkers	0	240 000	240 000	-	-	240 000	240 000	-
EMPANGENI	8436	T37193/1995	Neliswa Eating House	0	6 100 000	6 100 000	-	-	6 100 000	6 100 000	-
RICHARDS BAY	9893	T26939/1988	Naicker V	0	380 000	380 000	-	-	380 000	380 000	-
RICHARDS BAY	10033	T28872/1991	LOT 11161 (PTY) LTD	0	530 000	530 000	-	-	530 000	530 000	-
RICHARDS BAY	11376	T34219/1993	Pulp United (PTY) LTD	0	56 000 000	56 000 000	-	-	56 000 000	56 000 000	-
RICHARDS BAY	11377	T21885/1993	Mantis Properties CC	0	1 600 000	1 600 000	-	-	1 600 000	1 600 000	-
RICHARDS BAY	2627	T16212/1978	Ferreira M S	0	1 200 000	1 200 000	-	-	1 200 000	1 200 000	-
RICHARDS BAY	GV16990	T789/1999	Imvubu Lodge/River Rock	25	8 486 105	9 448 505	(962 401)	(43 343)	8 442 762	9 448 505	(1 005 744
					135 312 126	**142 030 742**	**(6 718 616)**	**(738 411)**	**134 573 715**	**142 030 742**	**(7 457 027)**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

11. INVESTMENT PROPERTY (continued)

30 June 2013 RESTATED

TOWN STAND #	STAND #	DEEDS #	NAME	LIFESPAN	CARRYING VALUES AS AT 01 JULY 2012	COST	ACCUM DEPRE	TRANSFER COST	TRANSFER ACCUM DEPRE	ADDITION/ (DISPOSAL)	DEPRECIATION WRITE BACK	DEPRECIATION	CARRYING VALUES AS AT 30 JUNE 2013	COST	ACCUM DEPRECIATION
RICHARDS BAY	33	T40385/2001	Harvey J R	0	1 500 000	1 500 000	-			(1 500 000)		-	-	-	-
EMPANGENI	45	T29874/1996	Zululand Built-It	0	1 000	1 000	-					-	1 000	1 000	-
EMPANGENI	56	T2643/1933	Manilall A	0	4 300 000	4 300 000	-					-	4 300 000	4 300 000	-
EMPANGENI	63	T2437/1970	Y S Cellular CC	0	2 000 000	2 000 000	-					-	2 000 000	2 000 000	-
RICHARDS BAY	67	T40386/2001	Van Rooyen K M	0	1 350 000	1 350 000	-					-	1 350 000	1 350 000	-
RICHARDS BAY	GV15825	T12114/1976	Richards Bay Airport Company (PTY) LTD	25	18 250 012	23 057 941	(4 807 929)	(272)	272	2 257 921	1 123 743	(107 557)	21 524 119	25 315 590	(3 791 471)
EMPANGENI	246	G93/1960	Emanzini Leisure Resort	0	1 100 000	1 100 000	-					-	1 100 000	1 100 000	-
RICHARDS BAY	617	T22887/2000	Meerensee Mall Scoonies Vier	25	3 992 213	6 663 646	(2 671 433)				721 071	(14 381)	4 698 903	6 663 646	(1 964 743)
RICHARDS BAY	620	T15638/1978	Schoonies Vier (PTY) LTD	0	4 500 000	4 500 000	-					-	4 500 000	4 500 000	-
NGWELEZANE	752	T64286/2000	Biyela A S	0	47 000	47 000	-					-	47 000	47 000	-
NSELENI	1342	TG65440/2003	Gumede S M	0	40 000	40 000	-					-	40 000	40 000	-
EMPANGENI	2015	T5367/1980	Mtshali D	0	680 000	680 000	-					-	680 000	680 000	-
RICHARDS BAY	2305	G128/1973	Bundu Nursery	0	250 000	250 000	-					-	250 000	250 000	-
RICHARDS BAY	5333	T14569/1979	Grindrod Terminals	0	9 000 000	9 000 000	-					-	9 000 000	9 000 000	-
RICHARDS BAY	5333	T6915/1993	Benians B S Construction	0	1 000 000	1 000 000	-					-	1 000 000	1 000 000	-
RICHARDS BAY	5333	T6915/1993	Benians B S Construction	0	700 000	700 000	-					-	700 000	700 000	-
RICHARDS BAY	5333	T6915/1993	Lease Group 5 Civils	0	860 000	860 000	-					-	860 000	860 000	-
RICHARDS BAY	5333	T6915/1993	Morganrite SA (PTY) LTD	0	180 000	180 000	-					-	180 000	180 000	-
RICHARDS BAY	5333	T4097/2006	Lease Foskor (Gypsum Dam)	0	70 000	70 000	-					-	70 000	70 000	-
RICHARDS BAY	5333	T4097/2006		0	250 000	250 000	-					-	250 000	250 000	-
RICHARDS BAY	5333	T4097/2006	Lease Foskor (Conveyer Beld)	0	75 000	75 000	-					-	75 000	75 000	-
RICHARDS BAY	5333	T4097/2006	Lease Foskor (Conveyer Beld)	0	500 000	500 000	-					-	500 000	500 000	-
RICHARDS BAY	5333	T4097/2006	Waste Site	0	1 500 000	1 500 000	-					-	1 500 000	1 500 000	-
RICHARDS BAY	5333	T19417/2001	Lease Grindrod Terminals	0	1 500 000	1 500 000	-					-	1 500 000	1 500 000	-
RICHARDS BAY	5333	T19417/2001	Green Africa Nursery	0	150 000	150 000	-					-	150 000	150 000	-
RICHARDS BAY	5333	T19417/2001	Ribeiro L M R	0	4 500 000	4 500 000	-					-	4 500 000	4 500 000	-
RICHARDS BAY	6364	T4199/1980	Checkers	0	240 000	240 000	-					-	240 000	240 000	-
EMPANGENI	8436	T37193/1995	Neliswa Eating House	0	6 100 000	6 100 000	-					-	6 100 000	6 100 000	-
RICHARDS BAY	9893	T26939/1988	Naicker V	0	380 000	380 000	-					-	380 000	380 000	-
RICHARDS BAY	10033	T28872/1991	LOT 11161 (PTY) LTD	0	530 000	530 000	-					-	530 000	530 000	-
RICHARDS BAY	11376	T34219/1993	Pulp United (PTY) LTD	0	56 000 000	56 000 000	-					-	56 000 000	56 000 000	-
RICHARDS BAY	11377	T21885/1993	Mantis Properties CC	0	1 600 000	1 600 000	-					-	1 600 000	1 600 000	-
RICHARDS BAY	2627	T16212/1978	Ferreira M S	0	1 200 000	1 200 000	-					-	1 200 000	1 200 000	-
RICHARDS BAY	GV16990	T789/1999	Imvubu Lodge/River Rock	25	8 186 420	9 448 505	(1 262 085)			-	310 443	(10 759)	8 486 105	9 448 505	(962 401)
					132 531 645	**141 273 092**	**(8 741 447)**	**(272)**	**272**	**757 921**	**2 155 257**	**(132 697)**	**135 312 126**	**142 030 741**	**(6 718 615)**

	2014 R	2013 R
12. TRADE RECEIVABLES		
From exchange transactions	**280 380 207**	**203 425 847**
Electricity	116 881 680	42 094 275
June consumption billed in July	86 792 408	94 359 323
Water	44 759 759	35 266 002
June consumption billed in July	13 544 024	13 053 044
June water surcharge billed in July	191 757	214 699
Sewerage	11 302 677	11 390 973
Special sewer charges	219 997	241 850
June sewer surcharge billed in July	189 927	191 276
Refuse	6 497 978	6 614 404
Rental	13 991 261	10 488 375
Sundry	27 552 360	22 122 740
From non-exchange transaction	**80 828 155**	**24 425 973**
Rates	29 605 435	26 425 973
Traffic fines	51 222 720	-
Gross Balance	402 751 983	262 462 934
Less: Provision for doubtful debts	(86 222 720)	(23 000 000)
Net Balance	**316 529 263**	**239 462 934**
Rates - Ageing		
Current (0 - 30) days	18 813 078	14 485 663
31 - 60 days	1 793 539	2 038 909
61 - 90 days	926 472	790 507
91 - 120 days	621 356	655 271
121 - 360 days	3 376 680	4 328 718
361+ days	4 074 310	4 126 905
Total	**29 605 435**	**26 425 973**
Electricity, Water, Sewerage and Refuse - Ageing		
Current (0 - 30) days	232 386 429	161 231 779
31 - 60 days	6 946 391	8 277 109
61 - 90 days	3 139 334	4 233 470
91 - 120 days	5 064 203	2 346 183
121 - 360 days	11 483 306	12 059 527
361+ days	21 360 544	15 277 778
Total	**280 380 207**	**203 425 847**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

	2014	2013
	R	R
12. TRADE RECEIVABLES (continued)		
Rental		
Current (0 - 30) days	740 577	131 604
31 - 60 days	366 954	478 033
61 - 90 days	344 537	389 577
91 - 120 days	342 491	413 828
121 - 360 days	3 889 497	5 525 287
361+ days	8 307 205	3 550 046
Total	**13 991 261**	**10 488 375**
Sundry		
Current (0 - 30) days	2 212 181	(501 178)
31 - 60 days	1 141 460	2 223 012
61 - 90 days	583 055	2 944 926
91 - 120 days	3 324 288	25 299
121 - 360 days	7 298 331	6 356 272
361+ days	12 993 045	11 074 410
Total	**27 552 360**	**22 122 740**
Traffic fines		
Current (0 - 30) days	5 587 750	-
31 - 60 days	5 826 595	-
61 - 90 days	5 047 200	-
91 - 120 days	3 776 400	-
121 - 360 days	30 984 775	-
361+ days	-	-
Total	**51 222 720**	**-**
Neither passed due or impaired	285 855 550	196 723 412
Past due and impaired	86 222 720	23 000 000
Past due and not impaired	30 673 713	42 739 522
	402 751 983	**262 462 934**
Reconciliation of the bad debt provision		
Balance at beginning of the year	23 000 000	19 500 000
Contributions to the provision	67 968 747	3 646 893
Bad debts written off against the provision	(4 746 027)	(146 893)
Balance at end of the year	**86 222 720**	**23 000 000**

12. TRADE RECEIVABLES (continued)

Summary of debtors by customer classification	Residential	Industry/ Commercial	State	Other	Total
30 June 2014					
Current (0 - 30) days	41 081 411	214 610 101	8 702 882	5 587 750	269 982 144
31 - 60 days	1 996 959	2 795 717	200 722	5 826 595	10 819 993
61 - 90 days	1 562 563	8 063 056	(273 282)	5 047 200	14 399 537
91 - 120 days	1 391 607	3 656 008	84 028	3 776 400	8 908 043
121+ days	33 849 218	31 442 372	2 365 901	30 984 775	98 642 266
sub-total	79 881 758	260 567 254	11 080 251	51 222 720	402 751 983
Less: Provision for bad debt	(22 571 880)	(10 920 634)	(1 507 486)	(51 222 720)	(86 222 720)
Total debtors by customer classification	**57 309 878**	**249 646 620**	**9 572 765**	**-**	**316 529 263**
30 June 2013					
Current (0 - 30) days	42 347 179	124 601 065	14 582 282	-	181 530 526
31 - 60 days	1 636 314	6 884 337	1 081 865	-	9 602 516
61 - 90 days	1 555 952	1 568 713	294 569	-	3 419 234
91 - 120 days	1 582 755	1 962 391	120 194	-	3 665 340
121+ days	28 460 564	31 475 971	4 308 783	-	64 245 318
sub-total	75 582 764	166 492 477	20 387 693	-	262 462 934
Less: Provision for bad debt	(6 629 376)	(14 582 416)	(1 788 208)	-	(23 000 000)
Total debtors by customer classification	**68 953 388**	**151 910 061**	**18 599 485**	**-**	**239 462 934**

	2014	2013
	R	R
13. LONG-TERM RECEIVABLES		
Housing loans to staff	46 008	265 570
Study loans	154 234	202 007
Bursaries	-	-
Sub-total	**200 242**	**467 577**
Less: Current portion transferred to current assets	(41 215)	(110 873)
Total Long-Term Receivables	159 027	356 704

Housing loans, car loans and bursaries were made in terms of council policies on these schemes. No new housing or car loans have been granted since the effective implementation date of the MFMA. There are no significant terms or conditions that will affect the timeous recovery of these amounts.

14. OTHER RECEIVABLES		
Payments made in advance	5 758 608	479 845
Other receivables	26 251 349	26 426 158
Total Other Receivables	**32 009 956**	**26 906 003**
15. CASH AND CASH EQUIVALENTS		
Cash and cash equivalents included in the cash flow statement comprise the following statement of amounts:		
Bank balances and cash	364 509 347	202 775 493
Call investment deposits	40 000 000	40 000 000
Total bank balances and cash	**404 509 347**	**242 775 493**

Bank Accounts

The municipality has the following bank accounts:

Current Account (Primary Account)

ABSA Bank - Richards Bay

Current/ Cheque account number: 2150 000 028

Cash book balance at beginning of the year	(22 308 662)	(30 057 643)
Cash book balance at end of the year	9 678 944	(22 308 662)
Bank statement balance at beginning of the year	15 959 441	2 563 073
Bank statement balance at end of the year	8 289 830	15 959 441

	2014 R	2013 R
15. CASH AND CASH EQUIVALENTS (continued)		
Deposit Account		
ABSA Bank - Richards Bay		
Current/ Deposit account number: 2150 000 095		
Cash book balance at beginning of the year	22 671 751	6 825 965
Cash book balance at end of the year	61 163 093	22 671 751
Bank statement balance at beginning of the year	21 069 963	5 673 566
Bank statement balance at end of the year	57 250 974	21 069 963
Hostel Account		
ABSA Bank - Richards Bay		
Current/ Deposit account number: 90 8291 6767		
Cash book balance at beginning of the year	1 621 397	4 007 144
Cash book balance at end of the year	4 128 984	1 621 397
Bank statement balance at beginning of the year	1 618 259	4 007 144
Bank statement balance at end of the year	4 117 052	1 618 259
Hostel Account - Phase 2		
ABSA Bank - Richards Bay		
Current/ Deposit account number: 90 3367 4990		
Cash book balance at beginning of the year	8 872 875	8 501 419
Cash book balance at end of the year	9 267 014	8 872 875
Bank statement balance at beginning of the year	8 850 204	8 501 419
Bank statement balance at end of the year	9 241 947	8 850 204
Hostel Account - Phase 3		
ABSA Bank - Richards Bay		
Current/ Deposit account number: 92 8322 1999		
Cash book balance at beginning of the year	20 245 048	-
Cash book balance at end of the year	21 228 774	20 245 048
Bank statement balance at beginning of the year	20 209 133	-
Bank statement balance at end of the year	21 188 950	20 209 133

	2014	2013
	R	R
15. CASH AND CASH EQUIVALENTS (continued)		
Housing Account - Brackenham		
ABSA Bank - Richards Bay		
Current/ Deposit account number: 91 2361 5121		
Cash book balance at beginning of the year	4 945 013	4 741 652
Cash book balance at end of the year	5 085 612	4 945 013
Bank statement balance at beginning of the year	4 927 799	4 741 652
Bank statement balance at end of the year	5 082 521	4 927 799
Housing Account - Ngwelezane		
ABSA Bank - Richards Bay		
Current/ Deposit account number: 91 7137 3496		
Cash book balance at beginning of the year	2 083 770	1 996 534
Cash book balance at end of the year	2 114 062	2 083 770
Bank statement balance at beginning of the year	2 076 516	1 996 534
Bank statement balance at end of the year	2 142 549	2 076 516
Housing Account - Pionierhof		
ABSA Bank - Richards Bay		
Current/ Deposit account number: 90 9224 7889		
Cash book balance at beginning of the year	4 849 961	12 424 301
Cash book balance at end of the year	4 984 320	4 849 961
Bank statement balance at beginning of the year	4 842 451	12 424 301
Bank statement balance at end of the year	4 981 639	4 842 451
Conditional Grants		
ABSA Bank - Richards Bay		
Current/ Deposit account number: 91 7137 3917		
Cash book balance at beginning of the year	107 697 729	38 350 228
Cash book balance at end of the year	122 798 934	107 697 729
Bank statement balance at beginning of the year	107 322 834	38 350 228
Bank statement balance at end of the year	122 289 548	107 322 834

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

	2014 R	2013 R
15. CASH AND CASH EQUIVALENTS (continued)		
Capital Replacement Reserve		
ABSA Bank - Richards Bay		
Current/ Deposit account number: 92 7206 8005		
Cash book balance at beginning of the year	52 061 052	30 386 158
Cash book balance at end of the year	123 993 050	52 061 052
Bank statement balance at beginning of the year	52 037 979	30 386 158
Bank statement balance at end of the year	123 931 932	52 037 979
Petty Cash		
Balance at beginning of the year	32 550	32 550
Balance at end of the year	33 550	32 550
Deposit Account		
ABSA Bank - Richards Bay		
Current/ Deposit account number: 40 7928 6548		
Cash book balance at beginning of the year	3 010	5 425
Cash book balance at end of the year	3 010	3 010
Bank statement balance at beginning of the year	633 461	5 425
Bank statement balance at end of the year	761 907	633 461
16. PROPERTY RATES		
Actual		
Residential	105 455 053	93 413 650
Commercial	154 614 602	133 920 860
State	18 179 137	10 672 228
Total Property Rates	**278 248 792**	**238 006 738**
Property rates - penalties imposed and collection charges	1 430 075	1 610 015
Total Assessment Rates	**279 678 867**	**239 616 753**
Property Valuations		
Residential	18 524 212 310	15 397 716 899
Commercial	12 404 496 000	10 768 444 700
State	2 910 240 100	1 657 085 100
Municipal	1 758 416 450	1 489 942 500
Total Property Valuations	35 597 364 860	29 313 189 199

The first valuation in terms of the Property Rates Act, 2004 (Act No 6 of 2004) came into effect on 1 July 2008. Valuations were performed on land and buildings together. Valuations on land and buildings are performed every four years. The last valuation came into effect on 1 July 2013. Two supplementary valuations and objections were processed in terms of the Act. Three supplementary valuations and objections in terms of the new Act were processed during the financial year. The following rate randage and ratio to residential tarrif were applied:

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

16. PROPERTY RATES (continued)

Predominant Use	Rate Randage	Ratio to Residential Tariff
Residential Properties	0.00721	1:1
Business, Commercial and Industrial properties and Mining	0.01515	1:2,1
Agricultural Properties	0.00180	1:0,25
Agricultural Properties (business)	0.01515	1:2,1
State Trust Land	0.00674	1:1
State Owned Properties	0.00721	1:1
State Owned properties (all other)	0.00829	1:1,15
Public Service Infrastructure	0.00180	1:0,25
Public Benefit Organisations	0.00180	1:0,25

Subject to the provisions contained in the Rates Policy and upon application,
the following rebates were applied:
Agricultural Properties - 5%
Public Benefit Organisations - 100%
Sporting Bodies - 100%
Pensioners - R150 000 Valuation Reduction on primary developed property

In additional to the statutory R15 000 reduction in the valuation on residential properties, a further reduction of R95 000 of the valuation on all developed residential properties with >R400 000 was made.

Rates are levied on a monthly basis but upon request can be levied annually. The final date for payment of rates that are levied on an annual basis is 30 September of each year, and 30 June for monthly ratepayers. Interest of prime plus 1% per annum is levied on outstanding rates.

	2014 R	2013 R
17. SERVICE CHARGES		
Sale of electricity	1 311 518 791	1 091 706 337
Sale of water	171 515 804	154 005 569
Surcharge on water	5 036 274	4 631 718
Refuse removal	58 413 911	52 519 701
Sewerage and sanitation charges	71 241 383	66 946 431
Total Service Charges	**1 617 726 163**	**1 369 809 756**

An amount of R8 559 837.89 (2013: R7 796 113.17) received in respect of prepaid electricity sales has been deferred and transferred to amounts received in advance.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

	2014	2013
	R	R
18. GOVERNMENT GRANTS AND SUBSIDIES		
Equitable share	190 384 000	179 139 000
Financial Management Grant	2 665 726	1 500 005
Restructuring Grant	206 584	-
Municipal Systems Improvement Grant	890 000	375 131
Infrastructure Skills Development Grant	7 210 652	3 778 800
Municipal Infrastructure Grant	89 493 495	39 283 176
Energy Efficiency and Demand Side Management Grant	3 390 572	1 316 688
Expanded Public Works Programme Integrated Grant	996 085	1 003 915
Municipal Water Infrastructure Grant	5 313 313	-
Provincial Health Subsidies	9 644 800	4 842 400
Provincial Local Government Grants	8 076 747	5 151 188
Provincial Development Planning Grants	46 390	-
Provincial Housing Grants	12 267 824	7 543 232
Provincial Library Services Subsidies	6 360 354	3 314 759
Provincial Museum Services Subsidies	284 000	134 000
Provincial Department of Transport Subsidy	167 279	-
Dept of Water Affairs - Refurbishment Grant	7 210 070	
Dept of Water Affairs - Water Conservation and Demand Management Grant	712 175	836 656
Dept of Water Affairs - Accelerated Infrastructure Programme Grant	-	75 700
Dept of Agriculture and Environmental Affairs	178 562	364 751
Dept of Minerals and Energy	7 093 892	-
uThungulu District Municipality - Environmental Health Service	4 856 400	4 603 259
uThungulu District Municipality - Capacity Building Grant	1 742	121 772
uThungulu District Municipality - Hosting of Annual SMME Fair	-	48 503
uThungulu District Municipality Beach Festival	55 000	-
uThungulu District Municipality - Bus Shelters and Laybyes	110 043	97 341
	357 615 705	**253 530 276**

18.1 Equitable Share

In terms of the Constitution, this allocation is to provide for an equitable sharing of National Revenue. It is primarily for the provision of basic services.

18.2 Financial Management Grant

Balance unspent at beginning of year	1 489 726	2 085 731
Current year receipts	1 176 000	904 000
Conditions met - transferred to revenue	(2 665 726)	(1 500 005)
Conditions still to be met - transferred to liabilities	**-**	**1 489 726**

National Conditional Grants are allocated in terms of the Division of Revenue Act. The Financial Management Grant is used to promote and support reforms in financial management by building capacity in municipalities to implement the MFMA. An amount of R374 000 was withdrawn by National Treasury for the 2011/2012 unspent allocation.

	2014 R	2013 R
18. GOVERNMENT GRANTS AND SUBSIDIES (continued)		
18.3 Restructuring Grant		
Balance unspent at beginning of year	215 969	215 969
Current year receipts	-	-
Conditions met - transferred to revenue	(206 584)	-
Conditions still to be met - transferred to liabilities	**9 385**	**215 969**

National Conditional Grant are allocated in terms of the Division of Revenue Act. The Restructuring Grant received in 2002, 2003 and 2004from National Treasury has been earmarked for certain projects that will improve the local economy.

18.4 Municipal Systems Improvement Grant		
Balance unspent at beginning of year	-	364 131
Current year receipts	890 000	11 000
Conditions met - transferred to revenue	(890 000)	(375 131)
Conditions still to be met - transferred to liabilities	**-**	**-**

National Conditional Grant are allocated in terms of the Division ofRevenue Act. The Municipal Systems Improvement Grant is used to assist municipalities to perform their functions and stabilise institutional and governance systems as required in the Municipal Systems Act and related legislation.

18.5 Infrastructure Skills Development Grant		
Balance unspent at beginning of year	(778 800)	-
Current year receipts	7 000 000	3 000 000
Conditions met - transferred to revenue	(7 210 652)	(3 778 800)
Conditions still to be met - transferred to liabilities	**(989 452)**	**(778 800)**

National Conditional Grants are allocated in terms of the Division of Revenue Act. The Infrastructure and Skills Development Grant is used to strengthen the capacity of local government, to effectively and efficiently deliver quality infrastructure by increasing the pool of skills available, to facilitate lifelong learning and the transfer of knowledge and skills to municipalities and to sustain infrastructure related management capacity in local government.

18.6 Municipal Infrastructure Grant (MIG)		
Balance unspent at beginning of year	64 763 706	22 800 333
Current year receipts	86 733 000	86 617 000
Conditions met - transferred to revenue	(89 493 495)	(39 283 174)
Conditions met - transferred to own revenue	(11 688 610)	(5 370 453)
Conditions still to be met - transferred to liabilities	**50 314 601**	**64 763 706**

National Conditional Grant are allocated in terms of the Division of Revenue Act. This grant is used to construct water and sewerage infrastructure as part of the upgrading of informal settlement areas. No funds have been withheld.

18. GOVERNMENT GRANTS AND SUBSIDIES (continued)	**2014** **R**	**2013** **R**
18.7 Energy Efficiency and Demand Side Management Grant		
Balance unspent at beginning of year	6 683 312	-
Current year receipts	-	8 000 000
Conditions met - transferred to revenue	(3 390 572)	(1 316 688)
Conditions still to be met - transferred to liabilities	**3 292 740**	**6 683 312**

National Conditional Grant are allocated in terms of the Division of Revenue Act. This grant is used to implement energy efficiency and demand-side management (EEDSM) initiatives within municipal infrastructure in order to reduce electricity consumption and improve energy efficiency.

18.8 Expanded Public Works Programme (EPWP) Integrated Grant		
Balance unspent at beginning of year	(3 915)	-
Current year receipts	1 000 000	1 000 000
Conditions met - transferred to revenue	(996 085)	(1 003 915)
Conditions still to be met - transferred to liabilities	**-**	**(3 915)**

National Conditional Grants are allocated in terms of the Division of Revenue Act. The grant is to incentivise municipalities to expand work creation efforts through the use of labour intensive delivery methods in compliance with EPWP Guidelines

18.9 Municipal Water Infrastructure grant		
Balance unspent at beginning of year	-	-
Current year receipts	17 547 000	-
Conditions met - transferred to revenue	(5 313 313)	-
Conditions still to be met - transferred to liabilities	**12 233 687**	**-**

National Conditional Grants are allocated in terms of the Division of Revenue Act. The grant is to facilitate the planning, acceleration and implementation of various projects that will ensure water supply to communities identified as not" receiving a water supply service. This Grant was received on 07 March 2014.

18.10 Rural Household Infrastructure Grant		
Balance unspent at beginning of year	-	-
Current year receipts	4 000 000	-
Conditions met - transferred to revenue	-	-
Conditions still to be met - transferred to liabilities	**4 000 000**	**-**

National Conditional Grants are allocated in terms of the Division of Revenue Act. The grants is to provide specific capital funding for the reduction of rural sanitation backlogs and to target existing households where bulk-dependent services are not viable. This grant was received on 11 March 2014 and 18 March 2014.

18. GOVERNMENT GRANTS AND SUBSIDIES (continued)	**2014** **R**	**2013** **R**
18.11 Provincial Health Subsidies		
Balance unspent at beginning of year	-	-
Current year receipts	9 644 800	4 842 400
Conditions met - transferred to revenue	(9 644 800)	(4 842 400)
Conditions still to be met - transferred to liabilities	**-**	**-**

The municipality renders health services on behalf of the Provincial Government and is refunded approximately 35% of total expenditure incurred. This grant has been used exclusively to fund clinic services. The conditions of the grant have been met. There was no delay or withholding of the grant.

18.12 Provincial Local Government Grants		
Balance unspent at beginning of year	11 255 977	5 143 536
Current year receipts	-	11 263 629
Conditions met - transferred to revenue	(8 076 747)	(5 151 188)
Conditions still to be met - transferred to liabilities	**3 179 230**	**11 255 977**

Provincial Local Government grants are used to implement the administrative and financial framework and to provide a municipal infrastructure framework. The grants are spent in accordance with a business plan approved by the Provincial Government.

18.13 Provincial Development Planning Grants		
Balance unspent at beginning of year	54 849	54 849
Current year receipts	-	-
Conditions met - transferred to revenue	(46 390)	-
Conditions still to be met - transferred to liabilities	**8 459**	**54 849**

Provincial Development Planning grants are used to promote integrated planning and development in the province. The grants are spent inaccordance with an approved business plan.

18.14 Provincial Housing Grants		
Balance unspent at beginning of year	28 101 143	12 080 063
Current year receipts	7 779 080	22 803 555
Conditions met - transferred to revenue	(12 267 824)	(7 543 232)
Interest received	1 679 579	760 757
Conditions still to be met - transferred to liabilities	**25 291 978**	**28 101 143**

Provincial Housing grants were allocated to assist in the refurbishment of various hostels. he grants are spent in accordance with a business plan approved by the Provincial Government. Funds were provided for the housing operating accounts and funds were also provided for the implementation of the Enhanced Extended Discount Benefit Scheme. No funds were witheld.

18. GOVERNMENT GRANTS AND SUBSIDIES (continued)	**2014** **R**	**2013** **R**
18.15 Provincial Library Services Subsidies		
Balance unspent at beginning of year	215 729	126 688
Current year receipts	6 566 000	3 403 800
Conditions met - transferred to revenue	(6 360 354)	(3 314 759)
Conditions still to be met - transferred to liabilities	**421 375**	**215 729**

Provincial Library Grants were allocated to subsidise the purchase of equipment for various libraries as well as the construction of the Empangeni Library Study hall and to refurbish the community hall at Felixton into a library.

Further funding was received for the installation of computer hardware and software for public internet access, the cost of the internet connectivity, furniture to house these computers and salaries for the employment of "cyber-cadets". The subsidies are spent in accordance with an approved business plan. No funds were witheld.

18.16 Provincial Museum Services Subsidies		
Balance unspent at beginning of year	-	-
Current year receipts	284 000	134 000
Conditions met - transferred to revenue	(284 000)	(134 000)
Conditions still to be met - transferred to liabilities	**-**	**-**

Office of the Premier allocates a subsidy to assist in the daily running of the Empangeni Museum. No funds were witheld.

18.17 Provincial Community Development Workers Programme		
Balance unspent at beginning of year	19 038	19 038
Current year receipts	-	-
Conditions met - transferred to revenue	-	-
Conditions still to be met - transferred to liabilities	**19 038**	**19 038**

Department of Co-operative Governance and Traditional Affairs allocated funds to Council for the administration of the Community Development Workers Programme. No funds have been withheld.

18.18 Provincial Department of Transport		
Balance unspent at beginning of year	167 279	167 279
Current year receipts	-	-
Conditions met - transferred to revenue	(167 279)	-
Conditions still to be met - transferred to liabilities	**-**	**167 279**

Provincial Department of Transport provided for a subsidy for a Pedestrian Safety project.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

18. GOVERNMENT GRANTS AND SUBSIDIES (continued)	**2014** **R**	**2013** **R**
18.19 DWAF - Water Services Program		
Balance unspent at beginning of year	205 307	205 307
Current year receipts	-	-
Conditions met - transferred to revenue	-	-
Conditions still to be met - transferred to liabilities	**205 307**	**205 307**

Department of Water Affairs Sector Institutional Support and Capacity Building Initiative in support of Water Services Authority and Water Service Provider functions. The grants are spent in accordance with an approved business proposal.

18.20 DWAF - Refurbishment Grant		
Balance unspent at beginning of year	70	70
Current year receipts	7 210 000	-
Conditions met - transferred to revenue	(7 210 070)	-
Conditions still to be met - transferred to liabilities	**-**	**70**

Department of Water Affairs Refurbishment Grant and Subsidy for Water Services Works. The grants are spent in accordance with an approved business plan.

18.21 DWAF - Water Conservation and Demand Management		
Balance unspent at beginning of year	889 237	1 725 893
Current year receipts	-	-
Conditions met - transferred to revenue	(712 177)	(836 656)
Conditions still to be met - transferred to liabilities	**177 060**	**889 237**

Department of Water Affairs - Water Conservation and Demand Management grant in respect of capacity building and institutional support. The grant is spent in accordance with an approved business plan

18.22 DWAF - Accelerated Infrastructure Programme		
Balance unspent at beginning of year	-	75 700
Current year receipts	-	-
Conditions met - transferred to revenue	-	(75 700)
Conditions still to be met - transferred to liabilities	**-**	**-**

Department of Water Affairs Infrastructure Programme grant in support of the refurbishment and upgrade at the Esikhaleni Waste Water Treatment Plant. The grant is spent in accordance with an approved business plan.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

18. GOVERNMENT GRANTS AND SUBSIDIES (continued)	2014 R	2013 R
18.23 DWAF - Regional Bulk Water Projects		
Balance unspent at beginning of year	-	1 500 000
Current year receipts	-	(1 500 000)
Conditions met - transferred to revenue	-	-
Conditions still to be met - transferred to liabilities	**-**	**-**

Department of Water Affairs Regional Bulk Water projects grant in support of the installation of bulk pipelines to supply areas where there is a lack of water supply

18.24 uThungulu District Municipality Environmental Health Costs		
Balance unspent at beginning of year	-	-
Current year receipts	4 856 400	4 603 259
Conditions met - transferred to revenue	(4 856 400)	(4 603 259)
Conditions still to be met - transferred to liabilities	**-**	**-**

The function to provide environmental health services was transferred to the district municipality. Council is still performing this function on behalf of the district. In terms of the Service Level Agreement, the district allocates Council a portion of their Equitable Share allocation.

18.25 uThungulu District Municipality Capacity Building Grant		
Balance unspent at beginning of year	3 513	125 285
Current year receipts	-	-
Conditions met - transferred to revenue	(1 742)	(121 772)
Conditions still to be met - transferred to liabilities	**1 771**	**3 513**

uThungulu District Council allocates funds for capacity building. No funds have been withheld.

18.26 Uthungulu District Municipality Museum Operating Subsidy		
Balance unspent at beginning of year	11 849	11 849
Current year receipts	-	-
Conditions met - transferred to revenue	-	-
Conditions still to be met - transferred to liabilities	**11 849**	**11 849**

uThungulu District Council allocated a subsidy to assist in the daily running of the Empangeni Museum. No funds have been withheld.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

18. GOVERNMENT GRANTS AND SUBSIDIES (continued)	**2014 R**	**2013 R**
18.27 uThungulu District Municipality Hosting of Annual SMME fair		
Balance unspent at beginning of year	-	48 503
Current year receipts	-	-
Conditions met - transferred to revenue	-	(48 503)
Conditions still to be met - transferred to liabilities	**-**	**-**

uThungulu District Council donated funds for the hosting of the Annual SMME fair by Council in partnership with business stakeholders.

18.28 uThungulu District Municipality - Beach Festival		
Balance unspent at beginning of year	-	-
Current year receipts	55 000	-
Conditions met - transferred to revenue	(55 000)	-
Conditions still to be met - transferred to liabilities	**-**	**-**

uThungulu District Council donated funds for the Beach festival

18.29 uThungulu District Municipality Bus Shelters and Laybyes		
Balance unspent at beginning of year	110 043	-
Current year receipts	-	207 384
Conditions met - transferred to revenue	(110 043)	(97 341)
Conditions still to be met - transferred to liabilities	**-**	**110 043**

uThungulu District Council donated funds for Bus Shelters and Laybyes

18.30 Department of Agriculture and Environmental Affairs		
Balance unspent at beginning of year	385 941	750 692
Current year receipts	-	-
Conditions met - transferred to revenue	(178 562)	(364 751)
Conditions still to be met - transferred to liabilities	**207 379**	**385 941**

Department of Agriculture and Environmental Affairs provided a subsidy for a recycling project. The grants are spent in accordance with an approved business plan.

18.31 Department of Minerals and Energy		
Balance unspent at beginning of year	-	-
Current year receipts	-	-
Conditions met - transferred to revenue	(7 093 892)	-
Conditions still to be met - transferred to liabilities	**(7 093 892)**	**-**

Department of Minerals and Energy provided a grant in support of electrification projects. The grants are spent in accordance with an approved business plan.

	2014	2013
18. GOVERNMENT GRANTS AND SUBSIDIES (continued)	**R**	**R**
18.32 Department of Sport and Recreation		
Balance unspent at beginning of year	12 666	12 666
Current year receipts	528 236	-
Conditions met - transferred to revenue	-	-
Conditions still to be met - transferred to liabilities	**540 902**	**12 666**

Funds were received from the Department of Sport and Recreation for the upgrade of the Vulindlela Sport Facility. The grants are spent in accordance with an approved business plan.

18.33 Department of Economic Development and Tourism		
Balance unspent at beginning of year	-	-
Current year receipts	400 000	-
Conditions met - transferred to revenue	-	-
Conditions still to be met - transferred to liabilities	**400 000**	**-**

Funds were received from the Department of Economic and Development Tourism for the upgrade of Alkandstrad Beach. The grants are spent in accordance with an approved business plan.

19. OTHER INCOME		
Building plans	1 372 103	1 216 309
Extension fees and Engineering contributions	24 335 625	70 867 967
Connection fees	2 952 779	2 369 887
MIG VAT revenue	11 688 610	5 370 426
Reconnection fees	4 865 419	3 983 391
Licence Drivers	2 130 358	2 022 735
Commissions	8 391 404	5 486 930
Skills Levy fees	992 354	1 755 382
Discounts received	1 891 611	1 174 958
Sundries	8 832 667	18 621 948
Total Other income	**67 452 930**	**112 869 933**

20. EMPLOYEE-RELATED COSTS	**2014** **R**	**2013** **R**
Employee-related cost - salaries and wages	293 080 279	261 817 933
Employee-related cost - contributions to UIF, pensions and medical aid	83 993 001	77 160 039
Travel, motor car, accommodation, subsistence and other allowances	55 981 626	50 397 588
Housing benefits and allowances	3 269 873	3 672 236
Overtime payments	35 601 587	30 158 237
Leave payments	6 721 473	12 538 218
Cellphone allowances	1 410 112	1 206 883
Pensioners' medical aid contributions	3 351 433	3 008 656
Less: Employee costs capitalised to Property, plant and equipment	(2 419 170)	(2 833 910)
Total Employee-related costs	**480 990 214**	**437 125 880**

There were no advances to employees. Loans to employees are set out in note 13.

Remuneration of the Municipal Manager		
Annual Remuneration	853 952	796 140
Annual Bonus	-	66 345
Performance Bonus	87 366	99 315
Travel Allowance	287 988	216 643
Contributions to UIF, Medical and Pension funds	233 050	290 387
Total	**1 462 356**	**1 468 830**

Remuneration of Senior Managers and Managers

30 June 2014	**Dep M Manager: Infra & Technical Services**	**Dep M Manager: Community Services**
Annual Remuneration	665 249	825 792
Annual Bonus	-	68 816
Performance Bonus	-	81 668
Travel Allowance	187 900	193 104
Contributions to UIF, Medical and Pension funds	302 232	170 857
Total	**1 155 381**	**1 340 237**
30 June 2013		
Annual Remuneration	757 160	770 400
Annual Bonus	-	64 200
Performance Bonus	76 325	25 442
Travel Allowance	264 892	193 104
Contributions to UIF, Medical and Pension funds	241 058	160 738
Total	**1 339 435**	**1 213 884**

20. EMPLOYEE-RELATED COSTS (continued)	**R**	**R**	**R**
30 June 2014	**Dep M Manager: Financial Services - CFO**	**Dep M Manager: Corporate Services**	**Dep M Manager: City Development**
Annual Remuneration	952 694	834 709	761 032
Annual Bonus	74 904	69 559	-
Performance Bonus	128 335	93 335	81 668
Travel Allowance	204 600	183 125	409 199
Contributions to UIF, Medical and Pension funds	51 565	220 644	103 179
Total	**1 412 098**	**1 401 372**	**1 355 078**
30 June 2013			
Annual Remuneration	888 078	834 318	693 989
Annual Bonus	74 006	-	-
Performance Bonus	109 036	87 229	87 229
Travel Allowance	204 600	186 089	410 904
Contributions to UIF, Medical and Pension funds	45 092	210 036	102 216
Total	**1 320 812**	**1 317 672**	**1 294 338**

30 June 2014	**Head: Financial Services Expenditure**	**Head: Transport & Roads**	**Head: Water & Sanitation**
Annual Remuneration	523 339	699 283	523 339
Annual Bonus	43 612	-	43 612
Entertainment	1 400	-	1 400
Housing subsidy	5 736	-	-
Travel Allowance	228 020	246 666	228 020
Contributions to UIF, Medical and Pension funds	314 978	226 786	158 588
Total	**1 117 084**	**1 172 735**	**954 959**
30 June 2013			
Annual Remuneration	488 616	652 886	488 616
Annual Bonus	40 820	-	40 616
Entertainment	1 400	-	1 400
Housing subsidy	6 000	-	-
Travel Allowance	212 682	233 627	212 682
Contributions to UIF, Medical and Pension funds	214 879	199 917	116 368
Total	**964 397**	**1 086 430**	**859 682**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

20. EMPLOYEE-RELATED COSTS (continued)	**R**	**R**	**R**
30 June 2014	**Head: HR services**	**Head: Corporate Services**	**Head: Electrical Services**
Annual Remuneration	528 994	32 049	523 339
Annual Bonus	43 612	-	43 612
Entertainment	1 050	-	1 400
Travel Allowance	230 036	13 835	228 020
Contributions to UIF, Medical and Pension funds	133 468	-	162 304
Total	**937 159**	**45 884**	**958 674**
30 June 2013			
Annual Remuneration	57 008	52 562	453 325
Annual Bonus	-	-	-
Entertainment	-	-	1 267
Travel Allowance	6 319	6 436	192 656
Contributions to UIF, Medical and Pension funds	-	-	114 039
Total	**63 327**	**58 998**	**761 287**

30 June 2014	**Head: Health & Public Safety**	**Head: Parks, Sports & Recreation**
Annual Remuneration	523 339	523 339
Annual Bonus	43 612	43 612
Entertainment	1 400	1 400
Housing subsidy	-	-
Travel Allowance	228 020	228 020
Contributions to UIF, Medical and Pension funds	202 531	236 175
Total	**998 901**	**1 032 545**
30 June 2013		
Annual Remuneration	488 616	488 616
Annual Bonus	40 616	40 820
Entertainment	1 400	1 400
Housing subsidy	-	-
Travel Allowance	212 682	212 689
Contributions to UIF, Medical and Pension funds	215 079	213 714
Total	**958 393**	**957 239**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

20. EMPLOYEE-RELATED COSTS (continued)

30 June 2014	Head: Financial Services Revenue	Head: Economic Development	Head: Engineering Services
Annual Remuneration	523 339	-	511 467
Annual Bonus	43 612	-	43 612
Entertainment	1 750	-	933
Housing subsidy	4 780	-	5 736
Travel Allowance	228 020	-	223 675
Contributions to UIF, Medical and Pension funds	147 115	-	157 555
Total	**948 616**	**-**	**942 978**
30 June 2013			
Annual Remuneration	215 429	204 098	488 616
Annual Bonus	-	16 775	53 457
Entertainment	467	583	1 400
Housing subsidy	-	-	6 000
Travel Allowance	71 196	88 949	212 682
Contributions to UIF, Medical and Pension funds	77 474	62 040	229 966
Total	**364 566**	**372 445**	**992 121**

21. REMUNERATION OF COUNCILLORS

Mayor	754 481	631 565
Deputy Mayor	622 265	509 785
Speaker	624 777	512 061
Chief Whip	562 112	460 616
Executive Committee Members	4 525 123	3 836 272
Chairpersons of Section 79 Committees Exco	190 083	-
Chairpersons of S79 Committees	1 143 401	997 104
Councillors	10 967 085	8 564 917
Councillors' pension contributions	2 018 945	1 635 516
Total Councillors Remuneration	**21 408 271**	**17 147 836**

The Speaker, Chief Whip and Executive Committee members are full-time. Each is provided with an office and secretarial support at the cost of the Council. The Mayor is also provided with a vehicle for business use at the cost of the Council.

22. FINANCE COSTS

Long-term liabilities	71 144 663	79 985 065
Total interest on external borrowings	**71 144 663**	**79 985 065**

An amount of R505 366.52 (2013: R929 247.92) relating to finance costs for 2013/2014was capitalised to work-in-progress with 9.59% being the weighted average cost of funds borrowed by the municipality.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

	2014	2013
23. BULK PURCHASES	**R**	**R**
Electricity	969 539 822	854 691 471
Water	82 085 979	82 555 439
Total Bulk Purchases	**1 051 625 801**	**937 246 910**
24. GRANTS AND SUBSIDIES PAID		
Richards Bay Country Club	309 792	350 030
Davulution Agriculture Primary	-	50 000
Early Childhood Development	300 000	-
SPCA	333 300	105 000
Isigugu Samanxamalala Matomela Trust	100 000	-
Schools and uThungulu Community Forum	60 000	25 000
MTA Invitation	61 514	-
Children	74 360	-
Sundries	394 767	267 664
Property rates relief	1 227 502	705 365
Dolos Festival	50 000	70 000
uMhlathuze Rangers FC	(70 000)	70 000
Mhlacufest	-	70 000
COSATU Kwa-Zulu Natal - May Day	-	60 000
Ezemvelo KZN Wildlife	-	32 550
Youth Summit	133 254	223 412
World Aids Day	47 022	61 486
Total Grants and Subsidies Paid	**3 021 511**	**2 090 507**
25. CASH GENERATED FROM OPERATIONS		
Surplus/ (Deficit) for the year	197 905 532	(51 419 972)
Adjustment for:		
Depreciation	241 712 732	343 657 602
Amortisation	2 627 456	1 657 881
Post-employment benefit expenses	28 913 044	(13 913 145)
Other grants received (excluded as non-cash)	(49 658 470)	-
(Gain)/ Loss on disposal of property, plant and equipment	43 101	(568 650)
Grant in aid (excluded as non-cash)	(584 541)	16 189
Movement in bad debt provision	63 222 720	3 500 000
Investment income	(21 060 123)	(14 498 748)
Interest paid	71 144 663	79 985 065
Operating surplus before working capital changes	534 266 114	348 416 222
(Increase)/ Decrease in inventories	2 503 788	(1 887 641)
(Increase)/ Decrease in trade receivables	(140 289 049)	(57 212 682)
(Increase)/ Decrease in other receivables	(5 103 954)	(4 182 788)
(Decrease)/ Increase in unspent conditional grants and receipts	(21 571 221)	66 287 039
(Decrease)/ Increase in creditors	86 055 769	15 611 967
(Decrease)/ Increase in VAT claimable	6 457 012	(8 297 070)
(Decrease)/ Increase in consumer deposits	5 129 196	859 822

Cash generated from operations	**467 447 655**	**359 594 869**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

26. ELECTRICITY AND WATER LOSSES	**2014** **R**	**2013** **R**
Water losses for the City of uMhlathuze calculated at a variable cost per kilolitre amounts to:		
Total produced and purchased (KL)	45 700 751	43 774 028
Total sold (KL)	28 197 051	29 428 624
Water Loss (KL)	17 503 700	14 345 404
% Loss	38.30%	32.77%
Variable cost/ KL	R 1.43	R 1.42
	25 087 109	**20 370 474**

Water losses are attributable to the following reasons:

Non-technical reasons

Included in these losses is measured water through bulk meters supplying the Traditional Areas of Mkhwanazi South, North and Dube. However individual households are not metered yet hence not billed and therefore recorded as lost at this stage.

Technical reasons

Aged reticulation without sufficient replacement, refurbishment and maintenance. Incorrectly calibrated meters

Electricity losses for the City of uMhlathuze calculated at a unit cost per kilowatt amounts to:		
Total purchases (KW)	1 600 621 423	1 434 018 166
Total sold (KW)	1 440 934 507	1 289 135 067
Electricity Loss (KW)	159 686 916	144 883 099
% Loss	9.977%	10.103%
Unit cost/ KW	0.58	R 0.59
	93 101 990	**85 481 028**

Electricity losses are attributable to the following reasons:

Non-technical reasons

Theft, unmetered supply and error in metering.

Technical reasons

Electrical resistivity in the network.

Ageing of network without sufficient replacement, refurbishment and maintenance.

Incorrect meter calibration and monitoring.

27. ADDITIONAL DISCLOSURES IN TERMS OF THE MFMA	**2014 R**	**2013 R**
27.1 Contributions to SALGA		
Council subscriptions	4 169 187	3 632 664
Amount paid	**(4 169 187)**	**(3 632 664)**
27.2 Audit fees		
Amount paid - current year	2 126 265	3 681 503
27.3 PAYE, SDL and UIF		
Opening balance	5 119 721	4 223 351
Current year payroll deductions	74 624 035	64 705 627
Amount paid - current year	(68 903 613)	(59 585 906)
Amount paid - prior year	(5 119 721)	(4 223 351)
Balance unpaid (included in creditors)	**5 720 422**	**5 119 721**
The balance represents June's contribution paid over in July.		
27.4 Pension and Medical Aid Deductions		
Opening balance	5 500 400	4 819 134
Current year payroll deductions	123 461 737	109 090 834
Amount paid - current year	(117 220 060)	(103 590 434)
Amount paid - prior year	(5 500 401)	(4 819 134)
Balance unpaid (included in creditors)	**6 241 676**	**5 500 400**
The balance represents continued members contributions received in advance.		

27.5 Councillor's Arrear Consumer Accounts

The following councillors had arrear accounts outstanding for more than 90 days as at 30 June.

2014	**Total**	**< 90 days**	**> 90 days**
Khoza M	923	380	543
Total	**923**	**380**	**543**

2013	**Total**	**< 90 days**	**> 90 days**
None	-	-	-
Total	**-**	**-**	**-**

During the year the following Councillors' had arrear accounts outstanding for more than 90 days. The following represents the highest amount outstanding:

2014	Highest Amount Outstanding	Ageing
Khoza M	543	90+ days

2013	Highest Amount Outstanding	Ageing
None	-	-

	2014	2013
28. CAPITAL COMMITMENTS	**R**	**R**
Commitments in respect of capital expenditure		
Approved and contracted for	273 479 565	29 077 646
Approved but not yet contracted for	146 382 235	309 636 354
Total capital commitments	**419 861 800**	**338 714 000**
This expenditure will be financed from		
Internal sources	106 720 900	108 898 000
External loans	144 738 000	136 119 000
Grants and subsidies	168 402 900	93 697 000
	419 861 800	**338 714 000**

29. CONTINGENT LIABILITIES AND CONTRACTUAL OBLIGATIONS

Guarantees by City of uMhlathuze in respect of building society and commercial bank housing loans to officials.	43 500	43 500
Guarantee by City of uMhlathuze in respect of postal services.	200 000	200 000

Cosmic Gold submitted a claim against Council regarding the cancellation of a property sale agreement. Cosmic Gold is claiming the costs of constructing the tennis court in the property as well as interest and professional fees to the value of R1 673 513.50. The matter is still ongoing.

Motla Engineers (Pty) Ltd submitted a claim against council regarding a dispute in in amounts due that relates to tenders awarded for services rendered to the sum of R1 087 860.60. This matter is still ongoing.

30. POST-EMPLOYMENT MEDICAL BENEFITS (defined benefit obligation)

The municipality operates on five (5) accredited medical aid schemes, namely Bonitas. Hosmed, Keyhealth, LA Health and Samwumed..Pensioners continue on the option they belonged to on the day of their retirement. The independent valuers, ARCH Actuarial Consulting, carried out statutory valuation for the year ended 30 June 2014. There are no planned assets.

The principal actuarial assumptions used were as follows:		
Discount rate p.a.	9.16%	9.16%
Health care cost inflation rate	7.75%	7.75%
Net effective discount rate	1.31%	1.13%
Average retirement age	55	55.00
Proportion continuing membership at retirement	80.00%	80.00%
Proportion of retiring members who are married	90.00%	90.00%

30. POST-EMPLOYEMENT MEDICAL BENEFITS (defined benefit obligation)	2014 R	2013 R
The amounts recognised in the Statement of Financial Position were determined as follows:		
Present Value of the obligation	233 331 899	204 418 855
Liability in the Balance Sheet	**233 331 899**	**204 418 855**
Movements in the defined benefit obligation is as follows:		
Balance at the beginning of the year	204 418 855	218 332 000
Current service cost	13 480 221	18 777 000
Interest cost	18 584 035	16 186 000
Benefits paid	(3 151 212)	(2 383 000)
Actuarial (gain)/ loss on obligation	-	(46 493 145)
	233 331 899	**204 418 855**
The amounts recognised in the Statement of Financial Performance were as follows:		
Current service cost	13 480 221	18 777 000
Interest cost	18 584 035	16 186 000
Actuarial (gain)/ loss on obligation	-	(46 493 145)
Benefits paid	(3 151 212)	(2 383 000)
Net amount recognised	**28 913 044**	**(13 913 145)**

31. PROVISIONS

	Staff Leave	Staff Bonuses	Total
30 June 2014			
Amount at beginning of year	13 204 076	10 113 045	23 317 121
Increase/ (Decrease) during the year	(4 047 193)	1 120 968	(2 926 225)
Carrying amount at end of the year	**9 156 883**	**11 234 013**	**20 390 896**
30 June 2013			
Amount at beginning of year	11 100 744	9 982 132	21 082 876
Increase/ (Decrease) during the year	2 103 332	130 913	2 234 245
Carrying amount at end of the year	**13 204 106**	**10 113 051**	**23 317 157**

Staff leave

Annual leave accrues to employees on a monthly basis, subject to certain conditions. The provision is an estimate of the amount payable to staff as at year-end, based on the value of statutory and non-statutory leave.

Staff bonuses

Bonuses accrue to staff on an annual basis based on their anniversary month. The provision is an estimate of the amount payable to staff for the following yearn a pro-rata basis.

32. EVENTS AFTER THE REPORTING DATE

No material facts and circumstances have occurred between the accounting date and the date of this report that would have an impact on the financial statements.

33. PRIOR PERIOD ERROR	**2014 R**	**2013 R**
Restatement of Property, plant and equipment (accumulated depreciation)		
In the prior year the municipality discovered that the depreciation on property, plant and equipment assets was overcharged.		
Council properties were recognised and therefore prior year depreciation was provided.		
The impact of this adjustment is as follows:	-	6 844 944 359
Amount as previously stated in the Financial statements	-	(38 627 047)
Correction of accumulated depreciation	**-**	**6 806 317 312**
Restated Property, plant and equipment (accumulated depreciation) at 30 June 2013		
Restatement of Investment Properties (Accumulated depreciation)		
During the year, the municipality discovered that the depreciation on investment properties was overcharged due to lifespans not reviewed in prior periods.		
Amount as previously stated in the Financial statements	-	8 873 872
Correction of accumulated depreciation	-	(2 155 257)
Restated Investment Properties (Accumulated depreciation) at 30 June 2013	**-**	**6 718 615**
Restatement of Intangible assets (Accumulated Amortisation)		
During the year, the municipality discovered that the depreciation on intangible assets was overcharged due to lifespans not reviewed in prior periods.		
The impact of this adjustment is as follows:		
Amount as previously stated in the Financial statements	-	12 524 647
Correction of accumulated amortisation	-	(642 261)
Restated Intangible assets (accumulated deprecation) at 30 June 2013	**-**	**11 882 386**
Restatement of Inventory Land		
During the year, the municipality discovered inventory land previously not accounted for in the accounting records.		
The impact of this error is as follows:		
Balance as previously stated in the Financial statements	-	59 515 000
Inventory land not previously recognised	-	800 000
Restated Inventory Land at 30 June 2013	**-**	**60 315 000**

33. PRIOR PERIOD ERROR (Continued)

Restatement of Accumulated Surplus

Balance as previously stated in the Financial statements	-	3 436 964 841
Inventory land not previously recognised	-	800 000
Correction of accumulated depreciation/amortisation	-	41 424 568
Restated Accumulated Surplus Balance at 30 June 2013	**-**	**3 479 189 409**

34. DEVIATION FROM PROCUREMENT PROCESSES

Section 37(2) of Supply Chain Management Policy has been complied with.
The total amount of deviations recorded for 2013/2014 financial year is R38 186 577 (2013: R4 246 647.85)

35. UNAUTHORISED, IRREGULAR, FRUITLESS AND WASTEFUL EXPENDITURE

There was no unauthorised, irregular, or fruitless and wasteful expenditure incurred during the year.

36. OPERATING LEASES	**2014** **R**	**2013** **R**
The municipality as a lessee		
At the reporting date, the municipality has outstanding commitments under operating leases which fall due as follows:		
Buildings		
Within one year	2 400	2 400
In the second to fifth year inclusive	9 600	9 600
After five years	-	-
Total	**12 000**	**12 000**
IT Equipment		
Within one year	3 482 681	1 063 668
In the second to fifth year inclusive	2 007 257	1 772 780
After five years	-	-
Total	**5 489 938**	**2 836 448**

Operating lease payments represents rentals payable by the municipality for certain of its offices. The municipality also has current lease arrangements for three years for printers and PABX equipment. No contingent rent is payable.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

	2014	2013
37. GENERAL EXPENSES	**R**	**R**
Included as part of general expenses are the following:		
Uniforms	2 256 238	3 035 793
Bank charges	2 847 203	1 329 647
Community facilitation	4 816 842	4 332 507
External audit fees	2 129 265	3 681 503
Fuel and oil	17 228 174	14 554 794
Insurance	4 229 739	5 175 394
Indigent services rendered	6 064 166	4 785 389
Legal fees	13 487 768	1 588 783
Licences and permits	1 853 186	1 571 994
Membership fees	4 680 167	3 827 982
Postage	1 525 332	1 274 670
Printing and stationery	5 532 454	3 808 796
Programming material	6 928 995	4 159 428
Publicity	771 046	1 650 994
Rental of equipment and vehicles	14 794 945	8 082 419
Waste disposal	3 729 884	3 285 861
Skills levy	4 129 803	3 686 647
Telephone	1 960 572	1 789 645
Research fund	781 913	1 337 451
Sport development	1 005 298	1 152 367
Stores and materials	1 145 494	1 120 981
Subsistence and travelling	2 172 532	1 714 048
Valuation roll	1 335 172	5 142 299
Advertisements	2 467 882	1 618 941
Small tools	778 800	1 197 712
Bursaries	871 003	941 153
Consultancy	3 715 721	6 763 512
Sundries	20 739 727	9 717 981
Total	**133 979 321**	**102 328 691**

38. RELATED PARTY TRANSACTIONS

There were no related party transactions that occurred during the year.

39. CHANGE IN ACCOUNTING ESTIMATE

A change in the estimated useful lives of certain property, plant and equipment, intangible assets and investment properties that were reaching their estimated useful lives has resulted in the following change in depreciation.

Depreciation according to initial estimated useful lives	103 534 131	8 280 529
Depreciation according to re-estimated useful lives	12 546 141	1 697 856
Reduction in depreciation	90 987 990	6 582 674

	2014	2013
40. PUBLIC CONTRIBUTIONS		
John Ross Interchange	49 658 470	-
IDZ	10 877 362	-
Other	799 258	243 335
	61 335 090	**243 335**
41. CONTRACTED SERVICES		
Cleaning Services	2 397 455	1 876 985
Meter reading	8 205 380	6 769 650
Security	24 975 304	20 901 872
Sewerage and Waste Disposal	8 343 993	8 063 454
Outsourcing	56 718 812	54 489 093
Total	100 640 944	92 101 054

41. Reclassification	**2014 R**	**2013 R**

Property rates and interest earned on outstanding debtors

An amount of R1 610 015 was re classified from Interest Earned - Outstanding debtors to Property Rates - Penalties imposed and collection charges . There was no overal effect on surplus/deficit.

Interest Earned	1 778 337
Reclassification of Property Rates - Penalties imposed and collection charges	(1 610 015)
Interest earned Outstanding debtors	**168 322**
Property rates	238 006 738
Reclassification of Property Rates - Penalties imposed and collection charges	1 610 015
Property rates	**239 616 753**

Contracted services and general expenses

The municipality previously classified consultancy fees under contracted services. These costs are now included under general expenses. There is no overal effect on surplus/deficit.

General expenses	95 565 179
Consultancy fees	6 763 512
General expenses	**102 328 691**
Contracted services	98 864 566
Consultancy fees	(6 763 512)
Contracted services	**92 101 054**

42. FINANCIAL RISK MANAGEMENT

Exposure to interest rate, credit risk and liquidity risks arise in the normal course of the municipality's operations.

Financial Risk Management

The municipality has exposure to the following risks from its use of Financial Instruments:
Liquidity Risk
Interest Rate Risk
Credit Risk

This note presents information about the municipality's exposure to each of the above risks and the municipality's objectives, policies and processes for measuring and managing those risks. Further quantitative disclosures are included throughout these financial statements.

The Accounting Officer has overall responsibility for the establishment and oversight of the municipality's risk management framework. The municipality's risk management policies are established to identify and analyse the risks faced by it, to set appropriate risk limits and controls and to monitor risks and adherence to limits.

	2014	2013
Categories of Financial Instruments	**R**	**R**
Financial Assets		
Investments and Receivables		
Call Investments	40 000 000	40 000 000
Cash and cash equivalents	364 509 347	202 775 493
Long-term receivables	159 027	356 704
Trade receivables	316 529 263	239 462 934
Other receivables	32 009 956	26 493 585
	753 207 593	**509 088 716**
Liabilities and Creditors		
Long-term liabilities	601 727 228	731 473 690
Trade and Other payables	339 257 657	185 067 011
	940 984 885	**916 540 701**

Fair Values versus Carrying Amounts

The fair values of financial assets and liabilities, together with the carrying amounts shown in the balance sheet, are as follows:

	Carrying Amount 2014	Fair Value 2014
Long-term receivables	159 027	356 704
Call	40 000 000	40 000 000
investments	364 509 347	202 775 493
Cash	316 529 263	239 462 934
Trade receivables	32 009 956	26 493 585
Total	**753 207 593**	**509 088 716**

Long-term liabilities	601 727 228	731 473 690
Trade and other payables	339 257 657	185 067 011
Total	**940 984 885**	**916 540 701**

42.1 Liquidity Risk

Liquidity risk is the risk that the municipality will not be able to meet its obligations as they fall due. The municipality's approach is to ensure that sufficient liquidity is available to meet its liabilities when due. The municipality uses cash flow forecasts to ensure that sufficient cash is available to meet expected operating expenses. This is guided by working capital and revenue enhancement policy

The debtors collection rate of the municipality also ensures that sufficient cash is available to cover working capital. The average collection rate of the municipality is 99.17% (2013: 99.17%).

The following are contractual liabilities of which is interest is included in borrowings:

	Up to one year	**1 - 5 years**	**> 5 years**
Borrowings	197 299 450	855 504 850	116 829 519
Trade and Other payables	278 555 247	-	-
	475 854 697	**855 504 850**	**116 829 519**

42.2 Interest rate risk

The municipality's policy is to manage interest rate risk so that fluctuations in variable costs do not have a material impact on surplus. All long-term debt are at fixed rates.

42.3 Credit Risk

Credit risk is the risk of financial loss to the municipality if customers or counterparties to financial instruments fail to meet their contractual obligations. Credit risk consists mainly of cash deposits, cash equivalents and trade debtors.

Investments

The municipality limits its exposure to credit risk by investing with only reputable financial institutions and within specific guidelines set in accordance with Council's approved investment policy.

Receivables

Receivables are amounts owing by consumers and are presented net of impairment loss. The municipality has a credit control policy in place and the exposure to credit risk is monitored continuously. The municipality establishes an allowance for doubtful debts that represents its estimate of anticipated losses in respect of receivables. Payments of accounts of consumer debtors who are unable to pay, are negotiated in line with the 'credit control policy and terms of payments are agreed upon with the consumer.

Cash and cash equivalents

The municipality limits its exposure to credit risk by investing with only reputable financial institutions and within specific guidelines set in accordance with Council's approved investment policy. The municipality does not consider there to be any significant exposure to credit risk.

The carrying amount of financial assets represents the maximum credit exposure.
The maximum exposure to credit risk as at 30 June was:

	2014	2013
	R	R
Call investments	40 000 000	40 000 000
Cash and cash equivalents	364 509 347	202 775 493
Long-term receivables	159 027	356 704
Trade receivables	316 529 263	239 462 934
Other receivables	32 009 956	26 493 585
	753 207 593	**509 088 716**

43. Budget Information

43.1 Explanation of variances between approved and final budget amounts
The reason for the variance between approved and final budget is mainly due to the adjustments budget approved by Council on 25 February 2014.

43.2 Explanation of variances greater than 10%: final budget and actual amounts

43.2.1 Statement of financial position
CURRENT ASSETS
The cash available was much higher than anticipated due to underspending of capital as well as conditional grants

CURRENT LIABILITIES
The increase in actual amount is due to high amount of unspent conditional grants at year-end.

43.2.2 Statement of financial performance
REVENUE

Rental of facilities equipment
Revenue increased due to delay in sales of some properties hence leasing continued.

Interest Earned - external investments
The variance is the result of increased in funds surplus funds available for investments during the year.

Interest Earned - outstanding debtors
The variance is due to property rates penalties being included under interest on outstanding debtors on the budget whist in the financial statements it is reflected under property rates.

Government Grant and Subsidies
The variance is the result of underspending in grant funded projects and therefore revenue could not be recognised due to conditions not being met.

43. Budget Information (continued)

Fines

The variance is due to the initial recognition of all traffic fines in line with the requirements of IGRAP1.

Public Contributions

The variance is mainly due to the infrastructure handed at the John Ross Interchange that was handed to council during the year.

Other Income

The variance is the result of high revenue received on extension fees for engineering contribution during the year.

EXPENDITURE

Debt impairment

The variance is the result of an increase in the allowance for doubtful debts during the year.

Depreciation and amortisation

This material difference can not be a charge against Rates and General as per Municipal Finance Management Act Circular number 58 section 4.3 read together with Directive 7 of GRAP 17. Therefore it can not be a budgeted cost, but instead is a charge against the Statement of Financial Performance which in effect reduces "Surplus" and charged against Revaluation Reserve which is included in Net Asset (Equity).

Collection costs

The variance is due to decreased spending on operational grants during the year.

Conditional grant expenditure

The variance is due to increased spending on operational conditional grants during the year.

Grant and subsidies paid

The variance is due to less grant in aid paid that anticipated at budget stage.

43.2.3 Cash flow statement

The variance is mainly due to increase in revenue due to engineering contributions and also underspending of capital expenditure which led to increase in cash and cash equivalents.

43.2.4 Capital expenditure

The variance is the result of underspending in capital mainly due to delays in awarding of tenders and also contract award objection processes. The bulk of the projects have been carried forward to the next financial year.

APPENDIX A: SCHEDULE OF EXTERNAL LOANS AS AT 30 JUNE 2014

EXTERNAL LOANS	Interest Rate	Loan #	Redeemable	Balance at 30/06/2013	Received during the year	Redeemed/ Written off during the year	Balance at 30/06/2014
				R	R	R	R
LONG-TERM LOANS							
Development Bank of SA	12.00%	10593	2018/03/31	3 884 343		607 365	3 276 978
Development Bank of SA	12.00%	10594	2017/03/31	1 606 673		334 461	1 272 212
Development Bank of SA	12.00%	10595	2017/03/31	6 032 318		1 255 745	4 776 573
Development Bank of SA	12.00%	10596	2017/03/31	1 403 740		292 216	1 111 524
Development Bank of SA	14.50%	10597	2018/03/31	5 046 390		748 542	4 297 848
Development Bank of SA	12.00%	10600	2017/03/31	2 737 708		569 908	2 167 800
Development Bank of SA	12.00%	10601	2017/03/31	1 627 232		338 740	1 288 492
Development Bank of SA	12.00%	10602	2017/03/31	411 614		85 686	325 928
				22 750 018	**-**	**4 232 663**	**18 517 355**
INCA	13.95%	UMHL	2019/06/30	9 652 565	-	1 266 362	8 386 203
Development Bank of SA	16.16%	11665	2010/12/31	-	-	-	-
Standard Bank	7.59%	357636	2015/03/31	30 498 359	-	11 530 560	18 967 799
Nedbank	5.75%	05/7831	2016/06/30	33 472 656	-	10 561 271	22 911 385
INCA	8.75%		2019/06/28	153 665 299	-	20 459 471	133 205 828
Development Bank of SA	11.70%	103170	2018/12/31	167 636 054	-	23 239 908	144 396 146
Development Bank of SA	6.75%	103494	2019/06/30	23 704 818	-	3 325 802	20 379 016
Development Bank of SA	11.57%	103494	2019/06/30	72 683 184	-	8 981 863	63 701 321
Nedbank	11.26%	05/7831/2	2019/12/31	144 098 661	-	15 996 315	128 102 346
Nedbank	9.59%	7831003878/3	2022/06/17	73 312 074	-	5 440 856	67 871 218
Nedbank	10.13%	7831003878/4	2024/06/28	-	100 000 000	(27 753)	100 027 753
				708 723 670	**100 000 000**	**100 774 655**	**707 949 015**
TOTAL EXTERNAL LOANS				**731 473 688**	**100 000 000**	**105 007 318**	**726 466 370**

APPENDIX B: ANALYSIS OF PROPERTY, PLANT AND EQUIPMENT AS AT 30 JUNE 2014

	Cost/ Revaluation						Accumulated Depreciation					
	Opening Balance	Transfers	Additions	Under construction	Disposals	Closing Balance	Opening balance	Additions	Transfers	Disposals	Closing balance	Carrying Value
Land	538 179 950	(3 203 000)	-	-	-	534 976 950	-				-	534 976 950
	538 179 950	**(3 203 000)**	**-**	**-**	**-**	**534 976 950**	**-**	**-**	**-**	**-**	**-**	**534 976 950**
Infrastructure												
Electricity	560 547 816	-	28 490 576	29 302 119		618 340 511	206 528 279	23 217 849			229 446 127	388 594 383
Roads	3 260 874 516	-	27 093 019	7 223 886		3 295 191 421	2 150 076 749	70 196 897			2 220 273 646	1 074 917 776
Sewerage	1 390 292 161	-	16 231 445	44 931 236		1 451 709 822	777 691 748	38 058 136			815 749 884	635 704 958
Water	4 335 408 016	-	26 913 885	51 272 363		4 413 339 284	3 292 209 659	62 656 821			3 354 866 480	1 058 727 784
Security measures	17 621 956	-	161 375	-		17 783 331	13 180 646	2 258 465			15 439 111	2 344 221
Pedestrian Malls	23 478 790	-	223 009	-		23 701 799	19 052 838	554 593			19 607 431	4 094 368
Airport- taxiways	360 591	-	-	-		360 591	235 338	18 017			253 354	107 237
	9 588 583 845	**-**	**99 113 311**	**132 729 605**	**-**	**9 820 426 760**	**6 458 975 257**	**196 960 776**	**-**	**-**	**6 655 936 034**	**3 164 490 727**
Community Assets												
Beach development	32 453 404		32 897	2 302 610		34 788 911	11 874 183	1 069 072			12 943 255	21 845 657
Cemeteries	17 454 035		675 423	-		18 129 458	3 224 991	639 621			3 864 612	14 264 846
Clinics	259 212		147 900	-		407 112	95 706	18 741			114 447	292 665
Community centres	13 825 489		934 252	2 181 629		16 941 370	6 702 277	669 097			7 371 375	9 569 996
Fire stations	2 535 790		734 450	1 149 397		4 419 637	786 176	92 147			878 323	3 541 314
Land Main Investments	54 541 111		-	-		54 541 111	8 228 472	1 367 407			9 595 880	44 945 231
Libraries	9 952 206		239 808	342 395		10 534 409	6 564 094	395 197			6 959 291	3 575 118
Museum	-		-	-		-	2 755	-			2 755	(2 755)
Parks & Gardens	11 124 100		1 941 239	-		13 065 339	10 383 465	102 577			10 486 042	2 579 297
Public Conveniences	8 057 133		-	-		8 057 133	6 200 075	551 430.78			6 751 070	1 305 627
Recreation facilities	51 211 391		6 110 382	465 480		57 787 253	25 887 990	2 419 936			28 307 926	29 479 327
Stadiums	85 791 063		140 350	110 466		86 041 879	9 892 001	3 432 902			13 324 903	72 716 976
	287 204 934	**-**	**10 956 701**	**6 551 977**	**-**	**304 713 612**	**89 842 185**	**10 758 129**	**-**	**-**	**100 600 313**	**204 113 297**

APPENDIX B: ANALYSIS OF PROPERTY, PLANT AND EQUIPMENT AS AT 30 JUNE 2014 (continued)

	Cost/ Revaluation						Accumulated Depreciation					
	Opening Balance	Transfers	Additions	Under construction	Disposals	Closing Balance	Opening balance	Additions	Transfers	Disposals	Closing balance	Carrying Value
Housing	78 659 014			5 492 718		84 151 732	7 105 015	1 197 030			8 302 044	75 849 688
	78 659 014	**-**	**-**	**5 492 718**	**-**	**84 151 732**	**7 105 015**	**1 197 030**	**-**	**-**	**8 302 044**	**75 849 688**
Other Assets												
Bins & Containers	4 888 697		1 128 049	-	-	6 016 746	3 868 652	354 580		-	4 223 232	1 793 515
Buildings	176 065 515		7 876 343	5 104 934	-	189 046 792	80 327 665	8 315 176		-	88 642 841	100 403 950
Emergency equipment	1 183 439		135 041	-	-	1 318 480	201 713	120 643		-	322 356	996 123
Furniture and fittings	10 528 193		1 968 967	-	-	12 497 160	7 366 175	1 005 393		-	8 371 461	4 125 591
Land Main Investments	69 169 075		-	-	-	69 169 075	27 957 404	1 925 839		-	29 883 243	39 285 832
Motor vehicles	114 670 477		11 281 812	-	-	125 952 289	77 963 588	12 800 239		-	90 763 827	35 188 463
Office equipment	31 379 413		5 453 831	-	(56 085)	36 777 159	19 169 258	3 552 534		(14 579)	22 707 212	14 069 948
Plant and equipment	47 897 621		12 707 457	-	(8 226)	60 596 851	33 258 605	3 921 704		(6 631)	37 173 677	23 423 174
Watercraft	352 552		-	-	-	352 552	281 793	62 277			344 070	8 482
	456 134 982	**-**	**40 551 500**	**5 104 934**	**(64 311)**	**501 727 105**	**250 394 853**	**32 058 385**	**-**	**(21 211)**	**282 432 028**	**219 295 077**
Total	**10 948 762 725**	**(3 203 000)**	**150 621 511**	**149 879 234**	**(64 311)**	**11 245 996 159**	**6 806 317 310**	**240 974 319**	**-**	**(21 211)**	**7 047 270 419**	**4 198 725 743**
Heritage Assets												
Paintings & Art galleries	2 488 594		235 100			2 723 694	-				-	2 723 694
Total	**2 488 594**	**-**	**235 100**	**-**	**-**	**2 723 694**	**-**	**-**	**-**	**-**	**-**	**2 723 694**

APPENDIX C: SEGMENTAL STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2014

2013 Actual Income	2013 Actual Expenditure	2013 Surplus/ (Deficit)		2014 Actual Income	2014 Actual Expenditure	2014 Surplus/ (Deficit)
R	R	R		R	R	R
227 912	66 703 037	(66 475 125)	Executive and Council	1 032 846	88 714 641	(87 681 7811)
19 916 190	166 946 833	(147 030 643)	Corporate Services	30 166 557	194 689 090	(164 522 533)
317 161 102	60 856 308	256 304 794	Budget & Treasury Office	322 143 168	96 190 988	225 952 170
2 439 002	28 148 918	(25 709 916)	Planning & Development	2 271 244	37 809 949	(35 538 705)
9 243 777	28 015 986	(18 772 209)	Health	14 505 985	35 592 824	(21 086 839)
6 270 166	69 288 891	(63 018 725)	Community & Social Services	14 979 092	84 605 864	(69 626 772)
9 042 400	7 613 699	1 428 701	Housing	12 161 228	9 050 975	3 110 253
12 599 882	87 118 022	(74 518 140)	Public Safety	62 501 202	157 883 279	(95 382 077)
6 025 839	128 491 879	(122 466 040)	Sport & Recreation	8 429 929	154 892 722	(146 462 793)
69 353 066	85 715 460	(16 362 394)	Waste Management	88 036 747	95 420 491	(7 383 744)
145 765 860	171 637 301	(25 871 441)	Waste Water Management	163 509 025	172 576 518	(9 067 493)
11 194 227	224 631 916	(213 437 689)	Road Transport	23 518 190	255 225 298	(231 707 108)
340 215 099	420 795 711	(80 580 612)	Water	394 412 320	392 000 206	2 412 114
1 163 895 102	1 034 275 558	129 619 544	Electricity	1 402 627 672	1 137 757 973	264 869 699
2 755 260	344 956	2 410 304	Other	538 473	660 446	(121 973)
2 116 104 884	**2 580 584 475**	**(464 479 591)**	Sub-total	**2 540 833 678**	**2 913 071 289**	**(372 237 611)**
(43 339 917)	(456 399 536)	413 059 619	Less: inter-dep charges	(46 521 448)	(616 664 631)	570 143 183
2 072 764 967	**2 124 184 939**	**(51 419 972)**	**Total**	**2 494 312 230**	**2 296 406 658**	**197 905 532**

APPENDIX D: DISCLOSURE OF GRANTS AND SUBSIDIES IN TERMS OF SECTION 123 OF MFMA, 56 OF 2003

Grants and Subsidies Received

Name of Grant	Name of organ of state	Quarterly Receipts				Total 2013/14 as per AFS	Quarterly Expenditure				Total 2013/14 as per AFS	Grants and Subsides delayed/ withheld				Total 2013/14 as per AFS	Reason for delay/ withholding of funds	Compliance with grant conditions in terms of grant frameworks	Reason for non-compliance
		Sep 2013	Dec 2013	Mar 2014	Jun 2014		Sep 2013	Dec 2013	Mar 2014	Jun 2014		Sep 2013	Dec 2013	Mar 2014	Jun 2014			Yes/ No	
Museum subsidy	KZN - Dept of Education and Culture	-	-	284 000	-	284 000	340 421	297 906	384 396	369 716	1 392 439	-	-	-	-	-	None	Yes	
Primary health subsidy	KZN - Dept of Health	-	3 438 800	1 719 400	4 486 600	9 644 800	5 093 223	5 427 250	5 974 362	7 575 622	24 070 456	-	-	-	-	-	None	Yes	
Esikhewini Hostel Refurbishment	KZN - Dept of Housing	305 465	334 464	344 373	393 563	1 377 865	531 069	754 539	2 200 542	1 586 970	5 073 120	-	-	-	-	-	None	Yes	
Housing Operational Account	KZN - Dept of Housing	2 941 552	1 471 830	3 498 505	40 996	7 952 883	899 855	1 017 104	2 466 232	2 811 513	7 194 704	-	-	-	-	-	None	Yes	
Public Internet Access - libraries	KZN - Dept of Library Services	720 000	-	-	-	720 000	131 807	154 141	120 028	108 377	514 354	-	-	-	-	-	None	Yes	
Library subsidies	KZN - Dept of Library Services	5 846 000	-	-	-	5 846 000	3 780 077	4 114 502	4 694 693	6 906 793	19 496 066	-	-	-	-	-	None	Yes	
Sport and Recreation	KZN - Dept of Sport and Recreation	-	-	-	528 236	528 236	-	-	-	-	-	-	-	-	-	-	None	Yes	
Upgrade of Alkandstrand Beach	KZN - Dept of Economic Development and Tourism	-	-	400 000	-	400 000	-	-	-	-	-	-	-	-	-	-	None	Yes	
Traffic Calming	KZN - Dept of Transport	-	-	-	-	-			123 010	44 269	167 279	-	-	-	-	-	None	Yes	
Land Use Management	KZN - Dept of Co-Operative Governance and Traditional Affairs	-	-	-	-	-	34 967		11 423		46 390	-	-	-	-	-	None	Yes	
Corridor Development	KZN - Dept of Co-Operative Governance and Traditional Affairs	-	-	-	-	-	39 680	58 593	-	-	98 273	-	-	-	-	-	None	Yes	
Urban Development Framework Plan	KZN - Dept of Co-Operative Governance and Traditional Affairs	-	-	-	-	-	-	166 500	55 419	15 124	237 043	-	-	-	-	-	None	Yes	
Extension to Richards Bay Airport	KZN - Dept of Co-Operative Governance and Traditional Affairs	-	-	-	-	-	-	-	53 390	-	53 390	-	-	-	-	-	None	Yes	
Tourism Development	KZN - Dept of Co-Operative Governance and Traditional Affairs	-	-	-	-	-		45 740		2 149 924	2 195 664	-	-	-	-	-	None	Yes	
New and Upgrading of Informal Trading Stalls	KZN - Dept of Co-Operative Governance and Traditional Affairs	-	-	-	-		219 467	1 111 627	1 320 083	2 728 652	5 379 829	-	-	-	-	-	None	Yes	
Massification Grant	KZN - Dept of Co-Operative Governance and Traditional Affairs	-	-	-	-	-		112 548		-	112 548	-	-	-	-	-	None	Yes	

APPENDIX D: DISCLOSURE OF GRANTS AND SUBSIDIES IN TERMS OF SECTION 123 OF MFMA, 56 OF 2003

Name of Grant	Name of organ of state	Quarterly Receipts				Total 2013/14 as per AFS	Quarterly Expenditure				Total 2013/14 as per AFS	Grants and Subsides delayed/ withheld				Total 2013/14 as per AFS	Reason for delay/ withholding of funds	Compliance with grant conditions in terms of grant frameworks
		Sep 2013	Dec 2013	Mar 2014	Jun 2014		Sep 2013	Dec 2013	Mar 2014	Jun 2014		Sep 2013	Dec 2013	Mar 2014	Jun 2014			Yes/ No
Institutional Support (Water conservation and demand management project)	Nat - Dept of Water Affairs	-	-	-	-	-	264 800	175 888	133 559	137 928	712 175	-	-	-	-	-	None	Yes
Cleanest Town Award	Nat - Dept of Water Affairs	-	-	-	-	-	26 619	29 818	84 266	37 859	178 562	-	-	-	-	-	None	Yes
Water Services Operating Subsidy	Nat - Dept of Water Affairs	937 000	1 250 000	5 023 000	-	7 210 000		2 613 330	2 632 338	1 964 402	7 210 070	-	-	-	-	-	None	Yes
Municipal Infrastructure Grant	National Treasury	22 620 000	38 068 000	26 045 000	-	86 733 000	14 206 676	10 890 616	11 345 943	64 738 870	101 182 105	-	-	-	-	-	None	Yes
Financial Management Grant	National Treasury	1 550 000	(374 000)	-	-	1 176 000	326 462	784 762	566 369	988 133	2 665 726		(374 000)	-	-	(374 000)	Grant unspent as at 2011/2012	Yes
Municipal Systems Improvement Grant (MSIG)	National Treasury	890 000	-	-	-	890 000	29 027	220 659	221 252	419 063	890 000	-	-	-	-	-	None	Yes
Equitable Share	National Treasury	78 953 000	63 835 000	47 596 000	-	190 384 000	-	-	-	-	-	-	-	-	-	-	None	Yes
Extended Public Works Programme	National Treasury	400 000	-	600 000	-	1 000 000	908	1 347	803 316	190 514	996 085	-	-	-	-	-	None	Yes
Infrastructure Skills Development Grant	National Treasury	2 000 000	-	5 000 000	-	7 000 000	1 423 790	1 406 842	2 530 151	1 849 870	7 210 652	-	-	-	-	-	None	Yes
Energy Management	National Treasury	-	-	-	-	-	815 412	349 345	21 934	2 203 881	3 390 572	-	-	-	-	-	None	Yes
Rural Household Infrastructure	National Treasury	-	-	4 000 000	-	4 000 000	-	-	-	-	-	-	-	-	-	-	None	Yes
Municipal Water Infrastructure	National Treasury	-	-	17 547 000	-	17 547 000	-	527 387	4 254 985	530 942	5 313 313	-	-	-	-	-	None	Yes
Electrification - Mandlazini, Mzingazi and Dumisani Makhaye Village	National Treasury	-	-	-	-	-	-	-	2 377 674	4 716 217	7 093 892	-	-	-	-	-	None	Yes
Restructuring Grant	National Treasury	-	-	-	-	-	60 000	91 645	45 595	9 344	206 584	-	-	-	-	-	None	Yes
Bus Shelters and Laybyes	uThungulu District Municipality	-	-	-	-	-	-	-	-	110 043	110 043	-	-	-	-	-	None	Yes
Capacity Building	uThungulu District Municipality	-	-	-	-	-	-	1 742			1 742	-	-	-	-	-	None	Yes
Beach Festival	uThungulu District Municipality	-	55 000	-	-	55 000	-	-	55 000	-	55 000	-	-	-	-	-	None	Yes
Environmental Health Services	uThungulu District Municipality	-	-	-	4 856 400	4 856 400	2 517 092	2 613 579	2 971 157	3 420 540	11 522 368	-	-	-	-	-	None	Yes