



2024 - 2025 ANNUAL REPORT

"THE GAME CHANGER OF
SOUTH COAST DEVELOPMENT".



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Chapter 1 – Mayor’s Foreword and Executive Summary

Component A:

1.1 Mayor’s Foreword

Section 121 (1) of the Local Government: Municipal Financial Management Act 56 of 2003 (MFMA) directs that “every municipality and every municipal entity must for each financial year prepare an annual report” in accordance with its guidelines.

The purpose of this annual report is to:

- (a) Provide a record of the activities of the Ray Nkonyeni municipality during the 2024/25 financial year.
- (b) Provide a report on performance against the approved budget for the 2024/25 financial year; and
- (c) Promote accountability to the local community for the decisions made throughout the year by the municipality.

In as much as the year under review has been engulfed by the unprecedented effects of unprecedented labour action by our employees, we are pleased to report that we have seen progressive improvement in areas of service delivery, inclusive of infrastructure development in our municipality. There are a few major projects which are at implementation stage, which we hope will have a positive influence on our road infrastructure and its ability to provide an efficient transport network system for future development.

In the past five years ago when we created a targeted Revenue Enhancement strategy, we began to see our revenue return to a healthy base. The municipality recorded an average of just over 90% collection rate in the period under review. It is an achievement borne out of a close cooperation with affected stakeholders.

Our public participation platforms continue to play a crucial role in the business of the municipality. We held various community meetings and stakeholder engagement sessions in interactions which seek to account, as well as influence policy positions of the municipality inclusive of its budget.

Our commitment to the vision of our municipality goes beyond political affiliation. We have been privileged to have a strong and healthy relationship with the various political parties represented at Council. We wish to place on record sincere gratitude to all caucuses for ensuring that indeed we have a vibrant and efficient municipality. The management component has been supportive throughout the year, and for this we are grateful.

Cllr ZP Mzindle

MAYOR

Component B: Executive Summary

1.2 Municipal Manager's Foreword

The year 2024/2025 proved to be quite a challenging year for the municipality. The municipality experienced an unprecedented labour which lasted between end October 2024 and beginning of March 2025. The work stoppage had severe impact on the overall work of the municipality but mostly for waste collection services and in particular the northern areas of the municipality where the strike was severe. Council accordingly resolved to approve some rebates to the affected ratepayers in lieu of the disturbed service.

Despite the taxing challenge of the labour unrest and the governance instability thereof, the municipality continued with its implementation of the "Vision 2036". This is a plan providing purpose and direction for the strategic goals and necessary actions that the municipality must undertake if by 2036 it is to its vision of being a prime tourist friendly, economically diversified and smart municipality with equitable access to opportunities and services in a safe and healthy environment.

The Municipality achieved an overall performance of 97% (ninety-seven) of the set targets. It is worth noting that the Municipality continued to deliver hundred percent (100%) on all its planned capital projects resulting in 100% expenditure on the Integrated Urban Development Grant (IUDG).

During the 2024/25 financial year the municipality received from Auditor-General an unqualified audit opinion for the year that ended in June 2024. Simply broken down this meant that the Municipality received a clean audit opinion on performance management and a few matters of emphasis on financial management.

The Municipality, through the neighborhood development program received funding for the rehabilitation of Reynolds Street which will result in better management of traffic in and out of the central business district.

To continue to position the municipality as a key player in the tourism sector and growing the local economy, the municipality continued to invest in reposition its

Margate Airport as a critical infrastructure for economic growth, During the 2024/2025 financial year, the Municipality procured a specialized aviation firefighting engine for the Margate Airport which resulted in a fully compliant category 4 airport according to CAA(Civil Aviation Authority). It should be noted that the firefighting truck enables the Municipality to upgrade its aerodrome license to a category 5 resulting in the airport having the capacity for bigger aircrafts to land at the Margate airport.

The municipality managed to collect ninety-one percent (91%) of the billed revenue. The economic meltdown faced globally especially since 2020 with COVID-19 pandemic, has had a negative impact even on revenue collection, but our local businesses and residents have demonstrated some high levels of resilience resulting in this healthy collection rate of property rates and taxes. The payment of rates and taxes is critical for financial health of the municipality which in turn is key to service delivery capacity.

KJ ZULU

Municipal Manager

1.3. Municipal Overview

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

Vision

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

Mission:

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

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

completely dotted by economic nodes of different hierarchies. There is also conservation areas dotted along the coastal belt.

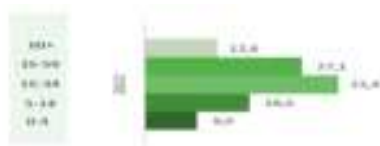
The municipal area covers approximately 1594km² in geographic area. Privately owned land constitutes approximately 26 500 hectares. The spatial location of the municipality is an advantage as the National Road (N2) runs through it providing accessibility and linkage with both Ethekewini metropolitan area and beyond as well as the Eastern Cape. It must be noted that Durban is the main commercial center of KZN and one of the seven metropolitan cities of the Republic of South Africa. Our municipality's close proximity to this sole metropolitan city of the province is a locational advantage.

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

Town Centers and Traditional Settlements (Table 1)

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

Ray Nkonyeni Municipality has a population of approximately 362 134 according to the latest StatsSA release, see below:



There has been a constant racial pattern as well, with Africans being dominant by a huge margin (82%) and followed by Whites (11%). The African population is distributed throughout the municipal 36 wards. Wards along the coastal belt are densely populated due to economic reasons. Compared to the other three sister local municipalities within the district, RNM has the highest population. Since 1996 to date, there has been a steady increase in the population mainly due to immigration given the better socio-economic opportunities in RNM compared to other place in the district and neighboring northern part of Eastern Cape Province. Although there were overall increases across races, Indians fluctuated.

The highest population category of the municipality is young people between the ages of 14 and 35. The entire district youth population is 255 207, with RNM alone accounting for just 47% of this figure.

Consistent with the national trend, the municipality has less males than females. This is attributed to socio-economic factors.

In as much as RNM has a thriving economy, due to the steady influx of people from other neighboring municipalities and other areas over the years, there has been a steady rise of unemployment. This has resulted in many people migrating to in search of greener pastures. Another contributing factor of why the number of males is lower is the social factor.

Graph 1: Population Growth estimates %



Source Stats SA 2022

Dependency ratio

UGU District Growth and Development Strategy (UDGDS) highlights that the dependency ratio within the district is quite high and there for clustering of social and economic services within rural nodes and corridors must take place to consolidate development and offer job opportunities to curb the high dependency ratio. Ray Nkonyeni Municipality is experiencing quite a lesser percentage of dependency ratio

statistics in comparison to the other UGU District local municipalities. This has been achieved partially by the initiatives the municipality has embarked on such as the development of nodes and corridors as well as the economic activities which have job opportunities. The municipality has also started developing its rural areas in terms of rural nodes.

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

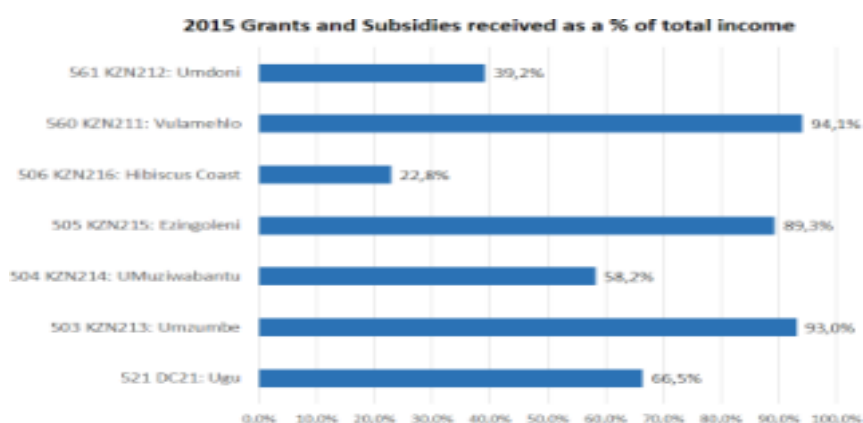
Studying the graph that follows, one notices that former Vulamehlo and Ezingoleni, Municipalities within the UGU District experienced high dependency ratios, while current municipalities that are Umzumbe and Umuziwabantu experience the same. On the other hand, former HCM and Umdoni experienced lower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

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

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

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

Graph 2: Grants and subsidies



Source: Stats SA 2016

Education

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

There is a high dropout rate at high school level due to a number of socio-economic ills. Teenage pregnancy, orphans and the abuse of substances are some contributing factors. Ray Nkonyeni Municipality experiences the highest number of teenage

pregnancies as compared to the other sister municipalities. Ray Nkonyeni also has special schools that cater for children with special needs and are fully equipped with resources. The department of education provides special support to these schools too;

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

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

Graph 3: Levels of Education

RNM EDUCATIONAL ANALYSIS		
Category	Total	Percentage (%)
No Schooling	13 180	6,0%
Some Primary	20 488	9,4%
Completed Primary	8 004	3,7%
Some Secondary	66 919	30,6%
Grade 12/Std10	82 708	37,8%
Higher Education	26 133	11,9%
Other	1 338	0,6%

Source: Stats SA 2022

An overall summary that can be drawn from the above graph is that RNM has a high primary entry number as compared to Matric certificate holders, 20.7%. This may be attributed to school dropouts, (to find means to provide for their families and themselves, or teenage pregnancy with no one to look after the child), social ills (Pandemic diseases etc.) All of these aspects feed into the low level of people with a

higher education within the municipality. According to the graph above, only 1.6% of the population hold bachelor's or higher education as compared to the 25.8 primary entry. The drastic drop between the two percentages may be because in most instances, most teenagers by now have taken the roles of being household heads and the burden weighs them down to an extent of failing to cope at school and end up dropping out. Some have left homes to seek employment to fend for the family. Another reason may be due to the high intake of intoxicating substances. Many learners come from dysfunctional homes and do not cope well at school resulting in dropping out. In terms of no schooling, the municipality stands at 13.8% which is quite high. Factors contributing to this may be that in some African homes, the need to attend school is still viewed as a waste of time. Another factor may be that most children have already taken a role of being a household head since parents have died leaving them to be taken care of by their frail elderly parents.

The matric pass rate for UGU District is 91.8%. The number one in South Africa resides in Ray Nkonyeni Municipality, while number 2 in the country for South African Sign Language also resides from Ray Nkonyeni Municipality

The table below details the matric pass rate.

2024	2025
91.7%	91.8%

HIV prevalence

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

The World AIDS Day is commemorated on an annual basis. Furthermore, the HIV and Aids jointly with the special programmes unit purchase and deliver school uniforms to vulnerable children in schools. The department of Health conducts annual HIV/AIDS surveys on women visiting antenatal clinics in the province. RNM's Council is

committed in the HIV/AIDS infection reduction programme. The municipality has implemented viable programmes to fight the scourge of the disease. More educational programmes / awareness campaigns are necessary to alert the community members of the HIV/AIDS disease.

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

Murchison and Port Shepstone hospitals are the two accredited Anti-Retroviral (ARV) treatment facilities within the Ray Nkonyeni Municipality. These two hospitals initiate ARV treatment and refer patients to the nearest clinic for follow up treatment. The following clinics offer follow up treatment: Margate, Gamalakhe, Bhobhoyi, and Ntabeni. Other clinics refer clients to one of the two hospitals for ARV treatment. All clinics however provide screening, counseling, and taking blood samples as part of the ARV roll-out programme.

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

Natural Resources

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

- the ocean for an example and its alignment to tourism
- The Red desert
- The KwaXolo Caves and Nyandezulu trail which are rural culturally rich

- The Oribi Gorge, which is the largest tourist attraction, is also one of the assets the municipality lists under its natural resources

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

A major challenge right now is ensuring that environmental management is understood by members of the rural community. With endangered ecosystems which are in the rural community the municipality is challenged by the red tape that exists as the land belongs to the Tribal Authority. The Municipality is engaged in a partnership with Department of Agriculture & Environmental Affairs to provide education around environmental education and awareness at schools, and communities at large.

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

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

27 Estuaries	Used by community for fishing, and other recreational activities.

Service Delivery

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

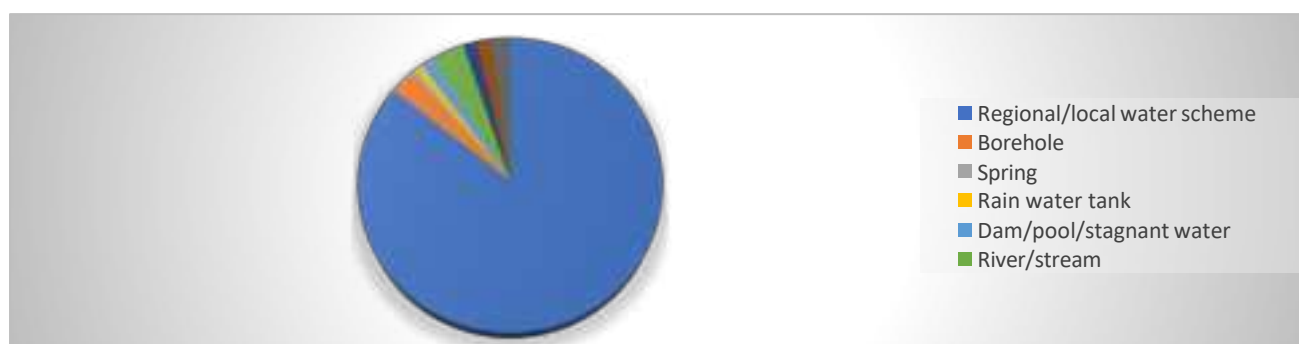
Climate Change

Ray Nkonyeni Municipality identified its climate risks, this process is still underway. The key issues that have been identified are stormwater drainage due to inclement weather patterns. The RNM has approved and adopted roads and stormwater management plan which is aimed at assisting in the adaptation to climate change. The municipality will initiate the identification of other climate change risks to be in line with the Greenbook, in doing this the municipality will also consider the Climate Change Strategy developed by Ugu District Municipality.

Access to water

UGU District is the water entity to all its local municipalities. Within RNM, the number of households without access to water is estimated at 10 873 which makes up 13% of the population. The municipality noted that there are still backlogs in terms of clean water provision to some areas in rural areas. The wards with the biggest water backlog in ward 8, 15, 29, 30, 31, 32, 34 and 35. The other wards with hardship in terms of water access are ward 4, 27, 33 and 36. These households use spring, dam and rivers as sources of water and are prone to a number of water-borne diseases. The Municipality has also made provision of water tankers to supply water to those communities with little or no access to water.

Graph 4: Percentage of households with different types of accessing water



Source: Stats SA 2016

Access to sanitation

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

Graph 5: Main type of toilet facility used

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

Source: Stats SA 2016

Access to electricity

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

Access to refuse removal

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

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

- Bhobhoyi
- Murchison
- Qina bout and Kwa Xaba
- Gcilima
- Izingolweni (residential area)

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

Financial Health

Outstanding debt is a concern for the municipality just as it is for all municipalities, therefore one of our main priorities was to focus around debt collection. To enhance our debt collection, process the municipality has created its own Credit Control Section and the function is no longer outsourced, and attorney has also been appointed into this unit. By the end of the financial year, we were able to see the benefit of this by the actual collection rate of 93% being achieved. Electricity losses still present a major challenge to the municipality, the meter audit is currently done, we are now on phase 2 of the audit where physical verification and replacement of illegal connected meters and broken meters is done.

Auditor General

The municipality received an unqualified audit with findings opinion outcome for Annual Financial Statements, i.e. for financial state of the municipality, how the municipality manage their finances, and clean audit opinion for Performance information, i.e. there are no findings for the reported Performance Information on service delivery indicators.

Chapter 2 – Governance

Component A: Political and Administrative Governance

2.1 Political Governance



Cllr PZ Mzindle (Mayor)- ANC



Cllr S Shange (Deputy Mayor)-ANC



Cllr PR Gumbi (Speaker)- ANC



Cllr TT Hlophe (Chief Whip) – ANC



Cllr MT Lubanyana (EXCO)- ANC



Cllr VL Ntanza (EXCO) – ANC



Cllr ET Khanyase (EXCO) – ANC



Cllr A.F Nqoko- ANC



Cllr ZB Ndwane (EXCO) – IFP



Cllr D Rawlins (EXCO) – DA



Cllr L Garbade (EXCO) – DA



Cllr K Muthwa (EXCO) – EFF

2.2 Administrative Governance

Municipal Manager	Key Functions
 Municipal Manager: Mr. KJ Zulu	The Municipal Manager is the Accounting Officer of the Municipality and is responsible for ensuring that the administration is run effectively from top down. And as such ensures good governance within the institution through the assistance of the internal audit and risk management units and compliance with all legal requirements through legal services section.
Heads of Departments	Key Functions
 HOD: Corporate Services: Mr. RK Lubanyana	Provides leadership and guidance on human resource management, skills development, labour relations, IT, estates management, employee wellness initiatives, meetings administration and legal advisory services.

 HOD: Community Services: Mr. MB Ndwalane	Provides leadership and guidance to the Department for the achievement of Organisational goals and IDP objectives which enhance service delivery achievements and better services delivered to community.
 Acting HOD: Public Safety: Ms. S Ngwabe	Provides leadership and guidance to the Department for the achievement of Organisational goals and IDP objectives which enhance service delivery achievements and better services delivered to community.
 HOD: Technical Service: Mr. SM Qwabe	Provide leadership and strategic direction regarding housing, roads & storm water, electricity, public works, facilities management, institutional & social development and project management administration. Provide guidance to the council, executive committee and local community with regards to provision of basic infrastructural services. Ensure compliance with all legislative requirements.
 HOD: Development Services: Mr. DH Zulu	Planning To provide leadership and guidance with regards to Economic Development and Development planning. Provide leadership and guidance on Spatial and environmental management through town planning, building control, environmental management and signage control.
	Provide leadership and guidance on mayoralty, communications, brand management, marketing, events, public participation, youth development, vulnerable groups' development and empowerment,

 Acting HOD Strategic Planning & Governance: Mr. XK Dlangalala	occupational health and safety of the workplace environment, integrated development planning and organizational performance management.
 Chief Finance Officer: Mr. S Thutshini	Provides leadership and guidance in overseeing all Treasury activities, ensuring compliance with all acts and legal prescripts required for accurate reporting to all stakeholders

2.3 Audit/Performance audit Committee Chairperson's report.

Audit Committee Responsibility

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

The Committee has fully discharged its responsibilities and operated independently and without interference throughout the financial year. In fulfilling its mandate, the Committee exercised professional scepticism, critically assessed information presented, and sought additional input where necessary. Key issues deliberated and corresponding recommendations were reported to the Accounting Officer and Council. The Committee also undertook a self-assessment of its performance and continuously evaluated the ethical and professional standards upheld by internal audit, management, and other assurance providers. The Committee reaffirms its commitment to serving the public interest and has diligently fulfilled this obligation.

Audit Committee Members and Attendance

The Committee, consisting of the following five (5) members listed hereunder, has met at least four (4) times per annum as per approved terms of reference. Six (6) meetings were held during the fiscal year.

Name of member	Number of meetings attended
Mr. A.D. Gonzalves (Chairperson)	6/6
Mr. T. Zakuza	5/6
Ms. S. Dlungwane	6/6
Mr. P Preston	6/6
Ms. S Khanyile	6/6

All members are external and therefore independent with no conflicts of interest being reported.

Audit Committee Meetings

The Committee held its meetings as follows:

Date	Type of meeting
19 July 2024	Ordinary
27 August 2024	Special
17 October 2024	Ordinary
24 January 2025	Ordinary
15 May 2025	Ordinary
27 June 2025	Special

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

standard invitee to our meeting and is encouraged to attend some of our meetings. Representatives from the AGSA and CoGTA attended some of the meetings.

The Effectiveness of Internal Controls

An assessment of the findings identified by Internal Audit as well as the audit and management reports presented to the Committee by the Auditor-General of South Africa (AGSA), reveals that the internal control environment, risk management, and governance processes are partially adequate and partially effective, with room for improvement. As a result, the Committee identified the following key areas of concern that should be addressed:

- Compliance monitoring;
- Cleansing and waste management;
- Expenditure management; and
- Contract management.

The Effectiveness of Internal Audit

The Committee reports that the internal audit function operates in terms of an approved internal audit charter and carried out its duties in an independent and objective manner. The Committee is satisfied that internal audit provided assurance in terms of governance, risk management, and control as per the approved risk-based audit plan. At the end of the financial year, the following internal audit reviews were reported as complete as per the approved risk-based audit plan:

- Annual financial statements;
- Annual performance information report;
- Quarterly performance management system
- Cleansing and waste management; and
- Follow up reviews of prior reported AGSA and internal audit findings.

At year end, the committee noted with concern the non-completion of internal audit reports pertaining to compliance with the Division of Revenue Act, inventory management, and supply chain management.

Risk Management

The municipality's risk management committee is functional, meets quarterly, and operates under an approved charter. The committee has reviewed and endorsed key

governance documents, including the Risk Management Policy, Framework, Charter, Strategy, Code of Ethics Policy, and Anti-Fraud and Anticorruption Strategy. The risk management committee supports the Accounting Officer by providing oversight, reviewing information presented by management, and monitoring significant risks.

In-Year Management and Monthly/Quarterly Reports

The Committee is satisfied with the quality and compliance of the monthly and quarterly financial and performance reports prepared during the fiscal year. The reports were submitted to the Committee for oversight. No material exceptions were noted in the reports submitted to the National Treasury.

Effectiveness of Performance Management

Quarterly performance reports were reviewed by the Committee. The committee is satisfied that there was an effective system over performance management throughout the fiscal year.

Evaluation of Annual Financial Statements and Performance Report

The Committee has reviewed:

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

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

Auditor-General of South Africa (AGSA) Report

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

Audit Committee Recommendations

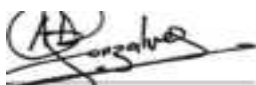
- Management must perform regular reviews over the Integrated Waste Management Plan and update it where necessary, interdepartmental collaboration between waste management, planning, budget and treasury, and IDP teams must be undertaken, KPI's should be incorporated into the performance management system to monitor and report on performance. Management should also implement adequate and effective monthly reconciliation of the distribution of bin liners.
- An external independent review of the internal audit function must be conducted by an accredited service provider during the 2025/26 fiscal year, in accordance with global internal audit standards. Furthermore, the Manager: Internal Audit should develop a quality assurance and improvement program for the Committee's oversight.
- Annual internal audit reviews focusing on compliance related to loss control, effectiveness tests of internal controls for in-year and year-end financial reporting, risk management, and annual IT evaluations covering information security policy assessments, control tests addressing cyber and security risks, and business continuity management must be undertaken. The Accounting Officer must allocate the necessary funding where applicable to support the implementation of recommended audit engagements.
- Operational risk registers must be updated to include risks associated with adverse weather conditions impacting overgrown trees. These trees pose a risk to private property, motor vehicles, and individuals, potentially leading to claims for damages against the municipality. Proactive measures, including regular

verge maintenance and the trimming or removal of tree branches overhanging municipal roads and infrastructure such as transformers, are essential to mitigate potential losses from claims and legal costs.

- The Manager: Internal Audit must develop a combined assurance framework and submit it to the Committee for endorsement and ongoing oversight of its implementation.
- Management is advised to ensure the availability of credible source data to verify performance indicators and to accelerate the rollout of performance management to all relevant staff in compliance with the Municipal Staff Regulations.
- Rigorous application of cost containment measures is recommended to protect cash reserves. Elevated levels of household debtors and electricity losses pose revenue collection challenges, potentially warranting ongoing emphasis in the AGSA audit report. Council must maintain ongoing efforts to recover outstanding trade receivables to mitigate future impacts on cash flows from operations.
- Improvements over the effectiveness of internal controls over contract management are essential to prevent irregular expenditure.
- All irregular expenditure incurred must be thoroughly investigated to determine if municipal officials should be held accountable.

Conclusion

The Committee expresses its appreciation to Council and the Accounting Officer for their leadership and support as well as all other assurance providers. The Committee recommends that Management address the concerns raised by the Committee as well as the audit findings identified by Internal Audit and the material findings identified by AGSA relating to compliance, by addressing the root cause of the control deficiencies in pursuit of a clean audit outcome.



Chairman: Audit Committee

Component B: Intergovernmental Relations

2.4 Intergovernmental Relations

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

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

Component C: Public Accountability and Participation

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

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

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

2.5 Public Meetings

The Municipality held Izimbizo (public meetings) in each of its 7 clusters. The Izimbizo are first held during the month of November, and the public participates in shaping the IDP for the following year and makes the Municipality's political and administrative governance structure aware of challenges faced at ward level and highlight challenges regarding infrastructure and other projects taking place in their communities even those being facilitated by another organ of state. During this reporting cycle Izimbizo were held during the month of November 2024. Thereafter the Izimbizo are held in April 2025 when the Draft Budget has been submitted to the Council. The community has an opportunity to engage with the Municipality regarding which projects have been funded for the following financial year and the planned projects for the next 3 years based on the budget submitted. The comments received at these meetings are considered when the Final IDP and Budget are submitted to Council for adoption.

Overall, the Municipality held 18 Izimbizo between November 2024 and April 2025. Which shaped the 2024-25 IDP, Budget and Service Delivery Budget Implementation Plan (SDBIP). It is estimated that +-1500 members of the community including business participated in the IDP development process.

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

Ward Committees:

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

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

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

Public Meetings Held:						
Nature and purpose of meeting	Date of event	Number of Participating Municipal Cllrs	Number of participating Municipal Administrators	Number of Community members attending	Issue addressed (Yes/No)	Date and Manner of feedback given to community
Izimbizo (Cluster 1A)	Thursday, 14 November 2024	09	14	231	WARD 30 NAME: Mr M. Nyawose - Appreciated service delivery in the ward. NAME: Sfiso Cele - Requested graveling of Lonjani to Thafeni and Jamehlungwini road. - Requested assistance for co-operative businesses in Shoba and Mdlazi areas. - Request that gravelling of Dakane Road be completed. - Renovation of Dakane sport field. NAME: Ntombifuthi Zulu - Request day care centre in Khalweni area. - Requested transport for school children in Goqozi. - Request a gym facility for Shosokuhle old age centre. - Clinic in Shoba is requested.	Thursday, 24 November 2024 Noted.

Public Meetings Held:						
Nature and purpose of meeting	Date of event	Number of Participating Municipal Cllrs	Number of participating Municipal Administrators	Number of Community members attending	Issue addressed (Yes/No)	Date and Manner of feedback given to community
					- Mthembu Rd and Nqhalabutho Rd repairs requested WARD 31 NAME: Zanele Ngcobo - Requested that local contractors be appointed for projects. NAME: Nonhlanhla Cele - Wilsons Cutting Road need to be extended since it is a high accident zone. - Requested a library in Mbeni. - Mbeni sport field to be completed. NAME: Mr A Ntobela - Repair needed for Dlovinga to Sdlidlini Rd. WARD 32 NAME: Sindi Mloyi - Requested two Jojo tanks for the Ezinqoleni Library.	

Public Meetings Held:						
Nature and purpose of meeting	Date of event	Number of Participating Municipal Cllrs	Number of participating Municipal Administrators	Number of Community members attending	Issue addressed (Yes/No)	Date and Manner of feedback given to community
Izimbizo (Cluster 1C)	Friday, 15 November 2024	05	14	159	- Requested that permanent employees be appointed to clean the Ezingolweni town. NAME: Bongani Ntaka - Requested Hall in Sgodaneni. - Requested road repairs. - Requested an Art Development programme. NAME: Mthobisi Ncama - Requested streetlights for Mgawulane area. WARD 33 NAME: Somandla Ngwazi - Repairs of Mkhathini Sport field. - Repairs of Mgayi Hall. - Request for farming products. NAME: Mthunzi Ngcungama - No water supply for Nkulu area for 11 years.	Friday, 15 November 2024 Noted.

Public Meetings Held:						
Nature and purpose of meeting	Date of event	Number of Participating Municipal Cllrs	Number of participating Municipal Administrators	Number of Community members attending	Issue addressed (Yes/No)	Date and Manner of feedback given to community
Izimbizo (Cluster 1B)	Wednesday, 6 November 2024	09	20	165	- Khandalesizwe housing project is not complete request clarity. - Clinic roads need major repairs. NAME: Vukani Khomo - Small Business assistance programmes are not being properly advertised. - Request assistance with proper training to utilise the toilet paper making machine available in Magayi hall. Written requests are as follows: - Mrs. EN Cele requested assistance regarding the accumulating water bill (R9 240.73) but there has been no supply of water since 2020. - Dwayisa road request concrete - Mbeni request pipe repairs and taps. - Jomo Cosmos sport field repairs. - Request a bridge to Shibase	Wednesday, 6 November 2024 The Deputy Mayor advised that queries and requests made by members of the community to both municipalities were noted and captured down, although some were clarified during the imbizo. Cllr Nciki noted the requests by the community and advised that the district municipality was aware of the water challenges faced in the area. He also advised that the water tanker schedule will be communicated

Public Meetings Held:						
Nature and purpose of meeting	Date of event	Number of Participating Municipal Cllrs	Number of participating Municipal Administrators	Number of Community members attending	Issue addressed (Yes/No)	Date and Manner of feedback given to community
					WARD 34 NAME: Weliza Ngcobo Requested road at Mancaphalaza and a borehole at Nkulu. NAME: Thulani Mabaso Requested RDP houses and indicated that Toilets at Nkulu Hall were not functional therefore they needed to be fixed. Requested a security guard at Banginyama MPCC Hall. WARD 35 NAME: Mr. Khayelitsha Sikobi-Hlomendlini • D905 road from Kwambande to Umthimude clinic be attended to. • RDP houses. • Infills. • Drivers licence training in the ward.	with the ward councillors.

Public Meetings Held:						
Nature and purpose of meeting	Date of event	Number of Participating Municipal Cllrs	Number of participating Municipal Administrators	Number of Community members attending	Issue addressed (Yes/No)	Date and Manner of feedback given to community
Izimbizo (Cluster 2)	Thursday, 7 November 2024	11	23	190	NAME: Snikiwe Mbhele - Water from standpipes NAME: Lungi Mkhize - Continuation of Phase 5 Housing Project - Criteria used for the municipal driver's license programmes - Water scarcity issues - Criteria used by SANRAL when hiring people on a project. NAME: Nokubonga Khumalo - Requested a place for traditional healers to hold their meetings in kwaNdunu Hall for free WARD 36 NAME: Nokuzola Mbhele - Requested clarity on the process	Thursday, 7 November 2024 7.1 Cllr PZ Mzindle, Honourable Mayor noted the procedure of Izimbizo and cautioned against

Public Meetings Held:						
Nature and purpose of meeting	Date of event	Number of Participating Municipal Cllrs	Number of participating Municipal Administrators	Number of Community members attending	Issue addressed (Yes/No)	Date and Manner of feedback given to community
					of hiring people working during road constructions. NAME: Khumbuzile Jama - Requested a spring(isiphethu) to be built in Bhosiki - Requested that water tankers deliver water every week NAME: Mlondi Ntozakhe - Water scarcity issues be attended to hence it's a basic need and water tankers delivering schedule be monitored. NAME: Philani Cele - Water scarcity problems - Requested that the former Ezingoleni municipal hall be renovated - Phewa family be assisted with an RDP house since their house burnt down - Requested a sport ground in ward 36	mobilising to attack the Ward Councillor. 7.2 It was noted that service delivery engagement was convened in Ward 29 yet there was poor attendance. 7.3 Urged the UGU team to assist the Ward Councillor in terms of ensuring constant water supply. 7.4 Emphasised that the municipality does projects according to community submissions, it was therefore the prerogative of the community to prioritise their needs. Thus, HoD Technical Services to attend to the matter.

Public Meetings Held:						
Nature and purpose of meeting	Date of event	Number of Participating Municipal Cllrs	Number of participating Municipal Administrators	Number of Community members attending	Issue addressed (Yes/No)	Date and Manner of feedback given to community
Izimbizo (Cluster 3)	Friday, 08 November 2024	09	13	257	NAME: Lonyane Jama - Requested that the pamphlet distributed in Imbizo be written in both isiZulu and English - Requested a clinic in Nongidi area - Requested bridge construction and creches NAME: Nkosinathi Sikobi - Road near Mthimude school needs rehabilitation due to water damaging the road - Hall renovations at Bhosiki - Sport ground - Water scarcity issues at Bhekamapodo area WARD 7 NAME: Ms. Phelelani Shusha - Request for the highmast to eliminate the hot spot between Nkampini.	7.5 Further outlined the programmes that were available for youth in the municipality and encouraged them to take the opportunity. Change mindset, explore other avenues such as opening own businesses. 7.6 Ward 07 housing projects processes were in place to source for a new service provider to complete the project. 7.7 Submit proof of corruption to the office of the mayor. Further committed to meet with the community of Ward 29. 7.8 UGU VIP Toilet tasked ward councillors to embark on the journey of identifying the

Public Meetings Held:						
Nature and purpose of meeting	Date of event	Number of Participating Municipal Cllrs	Number of participating Municipal Administrators	Number of Community members attending	Issue addressed (Yes/No)	Date and Manner of feedback given to community
					NAME: Mr. Siyanda Mbili - Sought clarity on Nqumbela bridge, and progress on the concrete road. Progress on the disaster housing since people were living in dire conditions. Incomplete VIP toilets projects in Nkampini WARD 8 NAME: Mr. Dumisani Dlangisa - Request for the highmast due to issues of crime. - Cautioned against the advertisement of positions, since people apply then posts get frozen, which was against value for money. NAME: Mr. Sibusiso Yalo - Appreciated the commitment of highmast.	holes that were dug and left unattended thereafter submitting to UGU for further deliberations. 7.9 Water issues were being attended as evident by the ongoing engagements, projects between Traditional Authorities and municipal representatives and curb illegal connections since they contribute to the problem. 7.10 Wi-Fi was still working, only issue was electricity, thus urged the community to work together and buy power; and 7.11 People were prohibited from demolishing government property, and it

Public Meetings Held:						
Nature and purpose of meeting	Date of event	Number of Participating Municipal Cllrs	Number of participating Municipal Administrators	Number of Community members attending	Issue addressed (Yes/No)	Date and Manner of feedback given to community
					• Increase water tankers since the area was vast and cannot be accommodated by only two tankers. • Issues of turnaround time at UGU • Mdaniswa Bridge needs to be attended to. • Request for a hall at Nyanisweni vd. • Request for concrete at Maqhude. WARD 9 NAME: Ms. GUGU Ndovela • Requested for highmast at KwaMqadi stop. • Request for the re-installation of WI-FI at the info centre since it was helpful to students. • Improvement of water supply in the area install new systems NAME: Mr. Samkelo Mpisane	was unfortunate that it was said that the office of the mayor gave permission Thursday, 7 November 2024 Friday, 08 November 2024 Noted

Public Meetings Held:						
Nature and purpose of meeting	Date of event	Number of Participating Municipal Cllrs	Number of participating Municipal Administrators	Number of Community members attending	Issue addressed (Yes/No)	Date and Manner of feedback given to community
Izimbizo (Cluster 5)	Friday, 22 November 2024	12	18	208	Progress on the Disaster Housing since they had been outstanding since 2022 and even the temporary housing had not been built. WARD 29 NAME: Ms. Nokwazi Nhlumayo Issues of provision of transport for the community and unfortunate response from the councillor Issues on unemployment in the ward Mankuntshana 4,2 million spent on Mbhele Bridge...was not a priority and the standard of since it had already collapsed and repairs. Prioritise Water challenges and commitment made by the mayor NAME: Ms. Zoleka Nhlumayo	

Public Meetings Held:						
Nature and purpose of meeting	Date of event	Number of Participating Municipal Cllrs	Number of participating Municipal Administrators	Number of Community members attending	Issue addressed (Yes/No)	Date and Manner of feedback given to community
Izimbizo (Cluster 4)	Tuesday, 20 November 2024	09	14	481	- Code of Conduct for Councillors, unbiased and fair issues with sentiments made by the Ward Councillor to say water was distributed every Monday which was not true since there was still no water. Instead, the water tanks go to certain people's houses. WARD 01 NAME: Ntombizonke Cele - Requested Ablution facilities in Bhayini and Shlayini areas. - RNM Truck Driver from Port Edward always drunk and speeding request intervention. - Request a sport field for girls. - Request a Transformer in Bhalume area. - Request urgent assistance with an RDP House for Ngaleka Family in Shlayini area.	

Public Meetings Held:						
Nature and purpose of meeting	Date of event	Number of Participating Municipal Cllrs	Number of participating Municipal Administrators	Number of Community members attending	Issue addressed (Yes/No)	Date and Manner of feedback given to community
					NAME: Simphiwe Hlophe • Requested funding for small businesses in ward 1. • Requested Concrete Steep hill. • High mast lights in Gusheni area. • Graveling of Roads in the area. • Appreciated improvement of water supply in the area. NAME: Philisiwe Mlambi • Request an RDP house for an indigent family (Ncubeni family) • Requested Veg Cutting in the area. • Jobs for unemployed community members WARD 02 NAME: Akhona Nzuzo • Requested Veg Cutting in the area. • Jobs for unemployed community members. WARD 06	Friday, 22 November 2024 Noted

Public Meetings Held:						
Nature and purpose of meeting	Date of event	Number of Participating Municipal Cllrs	Number of participating Municipal Administrators	Number of Community members attending	Issue addressed (Yes/No)	Date and Manner of feedback given to community
					NAME: Thobeka Mkize - Appreciated service delivery in ward 6. - Requested Highmast lights. - Enquired if the vacant plots can be utilised. - Hrodolo Park progress requested when will the project start. - Request a clinic in Margate. - Requested that Imbizo gatherings be rotated and uVongo Hall be used. NAME: Nontando Gcadinja - Repair of storm water drainage in ext. 3. WARD 10 NAME: Tholakele Ncane - There is no water supply next to Mpiyakhe area.	Tuesday, 20 November 2024 - All queries, requests and commendations made by members of the community to both municipalities were noted, although some were clarified during the imbizo. Furthermore, it was mentioned that those queries that do not form part of IDP will be reviewed and included accordingly, and - Cluster four (4) Community was

Public Meetings Held:						
Nature and purpose of meeting	Date of event	Number of Participating Municipal Cllrs	Number of participating Municipal Administrators	Number of Community members attending	Issue addressed (Yes/No)	Date and Manner of feedback given to community
					- Water supplied by borehole in the area is not clean. - Requested feedback regarding indigent applications after the floods. NAME: Sbonelo Mbokazi - Requested that the issuing of title deeds process be fast tracked. - Requested an update regarding the Sassa office that was to be moved to Ramsgate. WARD 11 NAME: Mr. Arbertnico - PEC members for construction of Mandla Mzelemu road are not getting paid hence request intervention. - Mgangathi ward committee members do not communicate with community members and Job opportunities are not shared with community members.	commended for the respect and behaviour.

Public Meetings Held:						
Nature and purpose of meeting	Date of event	Number of Participating Municipal Cllrs	Number of participating Municipal Administrators	Number of Community members attending	Issue addressed (Yes/No)	Date and Manner of feedback given to community
					- Shlaveni Road needs repairs. Written requests are as follows: - Bhalule pedestrian bridge (walkover) - Latshoda concrete passage - Latshoda Gym centre - Tarring of Port Edward Garge in ward 1 WARD 21 NAME: Thandi Nsele Requested a bridge at UMdlazi. Requested highmaster lights to be fixed. NAME: Sis Nyawuza Requested a bridge Mdlazi. Requested a road in Mtengane and Mdlazi to be fixed. Thanked Tatane Sportfield. WARD 22 No name Requested pedestrian bridge at KwaXaba and KwaMthethwa Requested a hall	

Public Meetings Held:						
Nature and purpose of meeting	Date of event	Number of Participating Municipal Cllrs	Number of participating Municipal Administrators	Number of Community members attending	Issue addressed (Yes/No)	Date and Manner of feedback given to community
					Sportgrounds be fixed around the area Traffic robots be attended Job opportunities on big projects WARD 23 NAME: Thami Ndwalane Toilets for disabled people NAME: Nkosinathi Bhengu Requested Bridge at Mandlakazi, Zingadini and Malanga Requested a library NAME: Mam Mbanjwa Encouraged community to respect their jobs and try to save money. WARD 03 NAME: Ms. Magigaba The following were requested: - Commended the housing project at Masinenge in conjunction with the other project that benefits the youth.	

Public Meetings Held:						
Nature and purpose of meeting	Date of event	Number of Participating Municipal Cllrs	Number of participating Municipal Administrators	Number of Community members attending	Issue addressed (Yes/No)	Date and Manner of feedback given to community
					• Requested erect electricity for phase 2 & 3 housing project prior proving them to people. • Requested that skips be regularly removed at Masinenge. • Requested Street light next to new voting station. • Requested that other avenues be sought in fixing phase one water pipes, since UGU employees said that they are unable to fix them because they are old pipe system. • Requested that pump station number one, be attended to; and • Requested School Bus for High School pupils. WARD 05 NAME: Mr. L Hadebe The following were requested: - • Commended all current project. • Requested to attend to Micheal Nsimbi Road next to	

Public Meetings Held:						
Nature and purpose of meeting	Date of event	Number of Participating Municipal Cllrs	Number of participating Municipal Administrators	Number of Community members attending	Issue addressed (Yes/No)	Date and Manner of feedback given to community
Izimbizo		12	18	358	Gamalakhe swimming pool as it affects Gamalakhe residents. - Requested that the Ray Nkonyeni and UGU District Municipalities must assist in ensuring that ample information is conveyed to youth after the G20 Summit as there are numerous opportunities that the UGU youth can benefit from; and - Commended the Ray Nkonyeni Municipality Youth projects. NAME: Ms. Sibongile The following were requested: - - Commended the Ward Councillor (Cllr RP Gumbi) for his outstanding work in attending and listening to Wards residents. - Commended the potholes repair project. - Appreciates the update regarding the housing project.	

Public Meetings Held:						
Nature and purpose of meeting	Date of event	Number of Participating Municipal Cllrs	Number of participating Municipal Administrators	Number of Community members attending	Issue addressed (Yes/No)	Date and Manner of feedback given to community
(Cluster 6)	Tuesday, 12 November 2024				- Requested that the Zibambeleni area be attended to since it's full of hooligans and no longer safe for residents; and - Requested an update regarding the maintenance of water pipes in relation to projects for water leaks. WARD 25 NAME: Ms. P Nyawose The following were requested: - - Commended the progress report of the Nkangeni bridge, Electricity and Housing project from Disaster. - Commended the newly built Community Hall, however, some residents who were assisting in building the Hall were not yet paid, and can the Municipality assist in liaising with the service provider.	

Public Meetings Held:						
Nature and purpose of meeting	Date of event	Number of Participating Municipal Cllrs	Number of participating Municipal Administrators	Number of Community members attending	Issue addressed (Yes/No)	Date and Manner of feedback given to community
					• Requested that the Hall caretaker be employed and a security guard. • Requested Community Park where children can play. • Requested Employment opportunities. • Requested Seeds. NAME: Mr. B Zulu The following were requested: - • Requested a temporal Office for the Para to Paradise company that helps youth in combating drug abuse and change them for better life. • Requested toilets maintenance at Thembisa sportfield (kaMafu). • Requested a road maintenance and tar erection from Skhaleni. • Requested completion of VIP toilet.	

Public Meetings Held:						
Nature and purpose of meeting	Date of event	Number of Participating Municipal Cllrs	Number of participating Municipal Administrators	Number of Community members attending	Issue addressed (Yes/No)	Date and Manner of feedback given to community
Izimbizo (Cluster 7)	Wednesday, 13 November 2024	09	12	284	NAME: Grootman The following were requested: - - Commended the Community Hall. - Requested Road maintenance (Enkulu). - Requested Water at Nkulu especially in Domu and Sparks along main road. - Requested an addition of High Masts. - Requested that the issue of electricity be attended to, since there is load reduction and it's worse than Loadshedding. - Requested assistance to ensure that the plans of developing the school next to the Nkulu Community Hall to Skills centre become a success. WARD 26 Name: Mr. G Cele The following were requested: -	Tuesday, 12 November 2024 - It was noted that all issues pertaining to RDP Houses will be addressed, and communities will be informed when the application for RDP Houses commence. - It was advised that VIP toilets will be provided in the next financial year. - The Mayor indicated that all requests that have been raised were captured and noted. The Mayor addressed the issue of highmast lights to curb the spread of crime in the area, he indicated that high master lights are very

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					- Commended Cllr RP Gumbe for the assistance - Requested assistance with the working resources for Gamalakhe forum such as car, Personal Protective Equipments (PPE's), etc. NAME: Mr. S Gumede The following were requested: - - Commended the Gamalakhe shopping centre. - Requested erection of pavement from eMthini to the Gamalakhe Shopping Centre. - Requested speed hump next to Ampu store. - Requested High Mast and road maintenance at Ezitendini. NAME: Mr. Nyawose The following were requested: -	expensive, and it would have been much better to utilize those funds for infrastructural services. He advised that only community and protection services available around the area can fight crime; however, the Municipality should be involved to address the matter; and All water issues raised were noted by the UGU District Municipal officials and were going to be attended to.

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Nature and purpose of meeting	Date of event	Number of Participating Municipal Cllrs	Number of participating Municipal Administrators	Number of Community members attending	Issue addressed (Yes/No)	Date and Manner of feedback given to community
					- Commended the Municipalities projects and the development it brings to the communities, however, some projects require security such as gym parks to protect them from vandalism. - Requested the report regarding the projects planned for Ward 26. - Not satisfied with the Housing project that is currently ongoing that is not clear to which department is in charge and who should benefit and why. - Requested High Mast/Streetlight. - Requested a progress report regarding the bridge by eThangini to Msikaba - Requested a progress report regarding a Concrete Road by Thembalihle; and - Progress report regarding the Tuck Shop registration issue.	

Public Meetings Held:						
Nature and purpose of meeting	Date of event	Number of Participating Municipal Cllrs	Number of participating Municipal Administrators	Number of Community members attending	Issue addressed (Yes/No)	Date and Manner of feedback given to community
Izimbizo (Cluster 1A)	Friday, 04 April 2025	12	21	215	WARD 27 NAME: Mr. Thokozani The following were requested: - - Commended the UGU District Municipality especially Cllr IS Mqadi (His Worship the Mayor) for attending to the Mqolobeni water issue, however, insufficient to cover the whole residential area, nevertheless, it will be appreciated if standpipes/running water can be erected to support the above mentioned. - Requested that relevant departments, especially Department of Transport be invited to the Mayoral izimbizo in future, since we have relevant question that needs their attention. - Requested phase two (2) housing project Mavundleni especially in rural areas. - Requested employment opportunities.	Wednesday, 13 November 2024 Noted

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Nature and purpose of meeting	Date of event	Number of Participating Municipal Cllrs	Number of participating Municipal Administrators	Number of Community members attending	Issue addressed (Yes/No)	Date and Manner of feedback given to community
					- Requested addition of chairs at KwaXaba Hall. NAME: Ward resident (Mr.) The following were requested: - - Commended the ongoing 'Corner House' Ring Road project and Nositha Bridge. - Requested assistance regarding a site to build Nositha High School. - Requested scholar transport for High School pupils from KwaNositha. - Requested KwaXaba Ring Road maintenance. NAME: Mr. B Dindikazi The following were requested: - - Commended UGU District Municipality for upcoming water projects. - Requested Toilets.	

Public Meetings Held:						
Nature and purpose of meeting	Date of event	Number of Participating Municipal Cllrs	Number of participating Municipal Administrators	Number of Community members attending	Issue addressed (Yes/No)	Date and Manner of feedback given to community
Izimbizo (Cluster 1B)	Monday, 07 April 2025	16	14	163	- Requested assistance regarding Eskom delay in fixing the blasted electrical transformers. WARD 28 NAME: Mr. S Sozaba The following were requested: - - Requested High Mast maintenance since they are slacking eZintandaneni. - Sewerage maintenance ngaseZintandane and ngakaShayisingqa. NAME: Mr. Mdime The following were requested: - - Requested that the ZG Hall maintenance be accelerated. - Requested maintenance at Sgedleni Hall, especially Toilets there is water leakage. - Requested update report	

Public Meetings Held:						
Nature and purpose of meeting	Date of event	Number of Participating Municipal Cllrs	Number of participating Municipal Administrators	Number of Community members attending	Issue addressed (Yes/No)	Date and Manner of feedback given to community
		10	16	228	regarding Micheal Nsimbi bridge maintenance. • Requested concrete road from Micheal Nsimbi Road to Steve Tshwete road. • Requested Pavement for pedestrians and joggers. • Requested Gym Park in Ward 28; and • Requested inspection and maintenance of water leakage in Ward 28 from Barcelona Store; and • Requested Water meter checkup. NAME: Mr. B Danca The following were requested: - • Requested maintenance and fence for the Gamalakhe sewerage. • Requested Sewerage maintenance at Popo village walkway. • Requested a bridge maintenance	Friday, 04 April 2025 The Mayor advised that queries and requests made by members of the community to both municipalities were noted and captured down, although some were clarified during the imbizo. It should be noted that the municipality has a road repairs program in place and all issues of roads to be discussed with the Councillors to establish as to which roads would be prioritized. It was also said that the issues raised

Public Meetings Held:						
Nature and purpose of meeting	Date of event	Number of Participating Municipal Cllrs	Number of participating Municipal Administrators	Number of Community members attending	Issue addressed (Yes/No)	Date and Manner of feedback given to community
Izimbizo (Cluster 1C)	Wednesday, 02 April 2025				next to the Gamalakhe sewerage; and - Requested road maintenance together with iNkwali. WARD 04 NAME: Mr. Mzelemu from Oshabeni - Requested that the RDP houses construction be expedited. NAME: Mr. Raynold Nduli - Has reported electricity fault ten years ago, nothing has been done. - Lost his cards due to theft and referred to Hibberdene offices to renew it. No response to date; and - He heard that there were other Eskom offices in Margate. There is no direct transport hence he could not afford it since it is too expensive to hire a car;	regarding P1106 will be escalated to the Department of Transport. UGU Mayor noted the requests by the community and also advised that the district municipality was aware of the water challenges faced in the area. He also advised that the water tanker schedule will be communicated with the ward councillors.

Public Meetings Held:						
Nature and purpose of meeting	Date of event	Number of Participating Municipal Cllrs	Number of participating Municipal Administrators	Number of Community members attending	Issue addressed (Yes/No)	Date and Manner of feedback given to community
Izimbizo		08	22	340	• He left his mobile number (079 061 5903) to be contacted on. NAME: Ms. Nonkanyiso Duma • Appreciated extension of a reservoir at Esixhokolweni. • Reported that the jojo tank at Greenside area was burnt; and • Requested pothole repair at P68 Main Road and access roads. NAME: Ms. Thabile Mbhele, contact no: 078 477 4692 • Reported that her RDP house was built on the incorrect site. WARD 17 NAME: Mr. Posswell Khusi • Appreciated fixing of transformer in the area. • Appreciated maintenance of sewerage pipes.	Monday, 07 April 2025

Public Meetings Held:						
Nature and purpose of meeting	Date of event	Number of Participating Municipal Cllrs	Number of participating Municipal Administrators	Number of Community members attending	Issue addressed (Yes/No)	Date and Manner of feedback given to community
(Cluster 02)	Thursday, 03 April 2025				• Requested road concreting. • Requested yellow plant in the area; and • Requested water supply to other sections in Mkholombe. NAME: Ms Dolly Gwala at KwaNgwabe • Appreciated grader services in the area. • Appreciated concreting of roads. • Requested a bridge in Bhoboyi river that leads to Mganka Clinic. • Requested VIP toilets. • Water challenge at KwaNgwabe VD was reported. • Requested extension of quarry at KwaNgwabe VD. • Requested 100 chairs for the hall. • Requested gardening seeds; and • Provision of Ward Committee skills. NAME: Mr. Xolani	The Mayor advised that queries and requests made by members of the community to both municipalities were noted and captured down, although some were clarified during the imbizo. It should be noted that the municipality has a road repairs program in place and all issues of roads to be discussed with the Councillors to establish as to which roads would be prioritized. It was also said that the issues raised regarding D903 and D904 will be escalated to the Department of Transport. Cllr Nciki noted the requests by the community and advised that

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					- Requested intervention at Mkholombe road due to accidents WARD 18 NAME: Ms Sthembile Shezi from Greenside - Request RDP House; and - Requested VIP toilets. NAME: Mr. Mkhize - Requested Public Forum patrol since there was old granny who was stabbed at the mall; and - Assistance with escalators at the mall was also requested. NAME: Mr. Jeffrey Gumede - Requested a bridge from Ntilini, kwaMsomi to Msomi Creche. - Requested VIP toilets; and - Water shortage at Mkholombe. WARD 20 NAME: Ms. Ntombi Ngcobo:	the district municipality was aware of the water challenges faced in the area. He also advised that the water tanker schedule will be communicated with the ward councillors. It was also alluded truck breakdowns were also a huge challenge which leads to no water supply.

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					- Requested a bridge at Zwelisha. - Requested Lollipop at Ganyaza Road to Sister Joans High School; and - Requested VIP toilets. WARD 12 NAME: Siseko Nkonzo requested a Park. NAME: Sphiwe - Housing projects update was sought. WARD 13 NAME: Bongo requested for the following services: - Quarry at Madwaleni steep hill. - Appreciated availability of water at Inala NAME: Mr. Ngcobo - Requested Florida Way Street in Hibberdene to be tarred since heavy rain damages the street.	Wednesday, 02 April 2025 Clr PZ Mzindle, Honourable Mayor noted the procedure of Izimbizo and further emphasised that the D1084 request will be escalated to the relevant Department. Perhaps the municipality will need to explore the use of concrete to

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					Cutting overgrown verge on vacant land, since it attracts burglars. - Fixing of broken streetlights. - Requested tennis court to be revamped. - Requested Outdoor gym for the community. WARD 14 NAME: Ms. Ntombi Mkhize - Appreciated projects carried out in the Ward i.e. electricity and water. - Appreciated installation of tower, borehole and pipe system. - Appreciated electricity project in Maris Stella. - Sozabe: bad road and water scarcity, - VIP Toilets requested. - Bridge to Mkhomazane was requested. - A request for the community hall in Maris Stella was made.	encounter road challenges. Request for information on the mining job opportunities will be escalated to the Department of Mineral Resources and Energy (DMRE) Further encouraged the community to explore the other mining opportunities in the mining sector within the district. Skills programmes were continuous and there was imminent incoming project, thus the community will be informed in due course when opportunity arises. Subcontractors to also assist with creating employment opportunities

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		17	11	119	- A community Hall in Greenside was also requested. - Quarry at Ezimobeni steep hill and stormwater pipe. NAME: No name 2 Boreholes in Maris Stella could not cater for people staying in elevated areas, a pipe to be installed to cater for them. NAME: Ms. Thandeka Hlophe - Request borehole in Greenside. - Job opportunities to be shared by the Councillors. - Water tanks / taps requested. WARD 15 NAME: Lindo Gumbi - Quarry in Mahlabathini, big hole near Mahlabathini shelter which is hazardous need to be attended to.	within the ward; and Further, we outlined the programmes that were available for youth in the municipality and encouraged them to take the opportunity. Change mindset, explore other avenues such as opening own businesses.

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Nature and purpose of meeting	Date of event	Number of Participating Municipal Cllrs	Number of participating Municipal Administrators	Number of Community members attending	Issue addressed (Yes/No)	Date and Manner of feedback given to community
Izimbizo (Cluster 3)	Thursday, 10 April 2025				NAME: Ms. Sanele Sikhosana: - Bad road to Sibonokuhle School and not safe for school children, needs to be attended to, - Requested water in Wukwini. NAME: Mduduzi Mkhize: - Request road to MPCC to be fixed, houses across the bridge in Phukuthi are in danger during heavy rain season. - Request WIFI at the MPCC to assist school children and youth. WARD 16 (1) The following was highlighted: - Appreciated water being prioritised. - There was a washaway road in various areas that needs to be attended to. - Stormwaters and potholes to be prioritised.	Thursday, 03 April 2025 Clr PZ Mzindle, Honourable Mayor highlighted that it was mentioned that infrastructure gets vandalised by the community such as the sportfield. Hence urged that the community must take a stand and curb such instances. The widening of some wards such as Ward 29 was a challenge iro service delivery hence a new delamination process might be pursued. The early childhood centre at Mvutshini was burnt by the disgruntled community members who failed to recognise its importance; thus,

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					(2) The following was highlighted: - To increase Firefighting station capacity. - Disaster management to be proactive and inform citizens of upcoming disasters. - Improve in waste management. (3) Thulani - Requested Youth Centre in Ward 16. - What are the plans for Ward 16. WARD 30 NAME: Mr. Bonginkosi Ncanyiyane - Appreciated the housing project that has commenced and also appreciated the road repairs in nodalane area and - It was reported that the Bridge from Kwa Shoba to Nodalane has collapsed and need repairs. NAME: Ms. Phumlile Dayi requested	the community was urged to refrain from destroying existing infrastructure when protesting. Requests will be escalated to the department of education. It was noted that clusters had several DOT projects which should be appreciated. Further requests will be escalated to the department. The municipality had taken strides towards the attraction of investors hence the RNM Economic Conference which was held in October 2024. Opportunities were being publicised, yet people did not take the chance in the programme.

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Izimbizo (Customer 4)		15	19	313	- Library in Mbeni area - NAME: Thabani Doyisa - Requested a Clinic in Mbeni. WARD 32 NAME: Sdongile Dindikazi - The P284 and P732 roads project was appreciated. - Appreciated the hall and the skills centre constructed in the area. - Boreholes constructed were also appreciated. - Concrete steep hill construction in Nqobheni was appreciated. NAME: Vuyani Nhlumayo requested - Road in Shobeni - Water supply in Shobeni NAME: Ms. Sindi Mloyi requested	The ongoing ward delamination engagements were acknowledged thus might provide a solution to the Mbambo and Nsebesha area. Furthermore, the community was advised that they belong to Ward 08. Further, we outlined the programmes that were available for youth in the municipality and encouraged them to take the opportunity. Change mindset, explore other avenues such as opening own businesses. Water issues were being attended to as evident by the ongoing engagements between

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	Tuesday, 08 April 2025				- Department of transport road P1106 requires repairs. WARD 33 NAME: Ms. Zandile Madlala (health professional) - Requested road repairs for Izingolweni Clinic. - It was reported that the outreach programme in Shobeni area cannot be conducted due to safety issues, mobile clinics were being robbed. NAME: Ms. Nompilo Hlongwa requested - The water supply station in Ezingolweni Municipality needs security guards and new fencing. - Ezingolweni Municipal Hall needs repairs. - Bhayiya Bridge progress report was sought. - Mamatheka to Gumede area needs a bridge.	Traditional Authorities and municipal representatives and curb illegal connections since they contribute to the problem. VIP Toilet budget was allocated however not enough, hence depended on the grant funding; and

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					- The bridge from Ward 33 to Ward 36 need repairs. - Requested a traffic light in station to clinic area. - Concrete steep hills requested. - Requested an update regarding the housing project in Shoba. - Requested home affairs to come to the community for the changing of green colour ID document. NAME: Ms. Nothile Mzobe requested - There has been no Electricity supply since 21 December 2024 in their area due to damaged transformers and Eskom requested R3000 per household, hence the community request municipal intervention. WARD 35 NAME: Mr Jabulane Nkonyeni requested:	

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					- RDP Houses in Celebane NAME: Mr. Sipho Gigaba KwaShali: - Thanked ward Cllr Majiya for assisting the community with getting a new transformer. - Thanked the process on concrete slabs that is ongoing. - Requested Inkwali and access roads. - Requested Jojo tank at AB Gigaba Hall. - Requested the process of RDP houses that started in 2023 to continue. - Requested skills centre for youth.	

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Nature and purpose of meeting	Date of event	Number of Participating Municipal Cllrs	Number of participating Municipal Administrators	Number of Community members attending	Issue addressed (Yes/No)	Date and Manner of feedback given to community
					- D904 road needs attention. NAME: Mr. Mandla Khawula-Mlozane/Ndlozana requested - Monitoring of projects and contractors be introduced to relevant authorities in the community. - Water issues in Umlozane and requesting a borehole. NAME: Mr. Jabulani Nkonyeni requested - Requested water in Celebane area (water tankers come once after two months) - Gravelling of access roads in Celebane.	Thursday, 10 April 2025 All questions raised were responded to accordingly, all issues pertaining to the water challenges were documented, and

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					WARD 36 NAME: Mr. Thulani Mkhungo • Thanked the ongoing process of concrete slabs. NAME: Ms. Thulile Zulu requested • Ncumus e bridge • Road signs on N2. • Gcinang empi Campus to start functioning. • Clearing of bushes near Empini store. • Toilets NAME: Mr. Phewa requested • Access road and a walkway bridge from Zuluiphathe to Mansfield. • Requested more boreholes. • Housing projects.	a strategy would be established. • It was indicated that all what had been raised will be looked through and be addressed. Also, that the community will be informed.

Public Meetings Held:						
Nature and purpose of meeting	Date of event	Number of Participating Municipal Cllrs	Number of participating Municipal Administrators	Number of Community members attending	Issue addressed (Yes/No)	Date and Manner of feedback given to community
					• More concrete slabs. • Recreation services. Uplifting graduates to be part of the projects in their community WARD 34 NAME: Mr. Mzwandile Gumbi • Conveyed gratitude to the projects that have been done by the municipality. • Requested for the road repairs D1084; and • Noted the difficulties experienced in accessing mining job opportunities following the closure of Teba offices, thus requested assistance on the dissemination of information. NAME: Ms. Nokubonga Gabela – Gumede	

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		10	20	344	- Conveyed gratitude for the concrete road. - Emphasis on the road repairs of D1084. - Gratitude for the skills programme and hopefully that the programme will be expanded. - Grateful for the housing projects since they will accommodate students who are currently being trained in the skills programmes. - Local businesses to benefit from the Blose Housing projects since four have qualified for subcontracting; and - Requested that feedback be provided to LED funding applicants whether successfully or not and give guidance for future funding. NAME: Mrs. Vezi - Gratitude for service delivery rendered; and	Tuesday, 08 April 2025 • All queries, requests and commendations made by members of the community to both municipalities were noted, although some were clarified during the imbizo. Furthermore, it was mentioned that those queries that do

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Izimbizo (Cluster 5)	Friday, 11 April 2025				- Request for the repairs of ablution facilities at the hall NAME: Bheki Mnyandu Programmes to be expanded to over 35 people since they need opportunities as well. NAME: Mr. Sifiso Mnyadi Requested for economic opportunities for people living with disabilities. NAME: Ms Bongeka Khawula (Blose area) - Gratitude to the Ward Councillor for the outstanding work in the ward. - Request for repairs of access roads. - Request for boreholes; and - Request for a community hall in the Blose area WARD 07	not form part of IDP will be reviewed and included accordingly, and Cluster four (4) Community was commended for the respect and behaviour.

Public Meetings Held:						
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					NAME: Ms. Fikile V Ngcungama Gratitude for the restoration of power in the area and tar road. NAME: Mr. Bheki - Expressed dissatisfaction with the poor maintenance of roads, hence requested for the matter to be attended to by putting quarry in the Qonge and Zamazulu areas; and - Also, requested for access roads maintenance (Ngilande vicinity). NAME: Induna - Conveyed gratitude for Ngwemabala Sportfield. - Ngqumbelo bridge appreciated. - Request for a bridge to combine Ngwemabala and Mankuntshana. - The bridge at Lamont cannot be utilised due to damage hence	

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					requested for intervention; and - Gratitude for the constant communication between the UGU water team and the community. Written requests: - Water request to cater for Nkampini, Katengweni, Zamazulu, Mkhobe and Hong Kong, Qombe (Nyanda, Zithokozise to Ematendeni). - Roads – Nqumbela Bridge and verge maintenance. 04/3 outstanding transformer repairs; and - Housing project- Sukuma Sakhe, and disaster houses been outstanding for five years at Lindela. WARD 08 NAME: Mr Zwelonke Jama	

Public Meetings Held:						
Nature and purpose of meeting	Date of event	Number of Participating Municipal Cllrs	Number of participating Municipal Administrators	Number of Community members attending	Issue addressed (Yes/No)	Date and Manner of feedback given to community
		20	31	78	• Requested for maintenance of access roads. • Request for quarry; and • Ntenza area no water from the taps and appreciated the constant communication. NAME: Mrs Mbali Request for road repairs next to Sokhele. NAME: Mr Alson Shusha • Thekwini road request for concrete, also next to Nduna Xolo. • Urged for the utilisation of the available MPCC for the provision of clinic services; and • Request for electricity infills. NAME: Mr Fana Mzobe (Gogogweni) • Sought clarity from IEC pertaining to the demarcation affecting Mbambo to Nsebesha areas since	

Public Meetings Held:						
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Izimbizi(Cluster 6)	Monday, 14 April 2025				it was unclear which Ward do those areas fall under; and - Reported that Mhlalandini water tank was leaking which hinders the adequate supply of water. Written submissions- Ms Queen Mbuthuma: - Valindlela road. - Request for concrete road from Dwayisa; and - Request for a bridge at Qombo. WARD 09 NAME: Mr Martin - Requested for a rehab centre since there was high drug use. - Issues of Home Affairs requesting a DNA - Request for road repairs - Phase 3 housing - Water challenges since it's been three years - D203 gravelling	

Public Meetings Held:						
Nature and purpose of meeting	Date of event	Number of Participating Municipal Cllrs	Number of participating Municipal Administrators	Number of Community members attending	Issue addressed (Yes/No)	Date and Manner of feedback given to community
					- Maintenance of access roads. NAME: Mr Sibum Mpisane - Appreciated the water projects. - Issues of unemployment, requested for industrial park - KwaMqadi requested for a mall since it was identified as a commercial area. - Installation of optic fibre to bridge the IT gap and provide ease of access to those searching for job opportunities and stable network for students; and - Proposed for the establishment of an Agro processing in the area to enhance food security. NAME: Mr Nunu Ndovela - Request for RDP house; and - Expressed concern with the Councillors since they believed to be biased.	

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					WARD 29 NAME: Mr Mpangele (Induna) - Noted with concern the water issues that emanate from 2013 with no tangible solution. Thus, requested for a meeting to be convened by the UGU Mayor to address the challenges. - Requested for maintenance of access road. - Bridge issues at Sunduza. - Request for repairs at the Mvutshini creche. - Also, requested for streetlights or highmast in Lamont to curb the increasing crime. - Request for road and bridge Mankuntshana to Nkampini; and - Gratitude for the Mbhele Bridge. NAME: Mr Lucky Ndovela	

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		19	18	298	- Conveyed gratitude for the concrete road at Mankuntshana. - Request for repairs of the damaged electricity transformer. - Highmast for Mlonde and Mankuntshana. - Access roads programme to be restored. - Road request to accommodate Mcushwa High School; and - Requested for intervention on the delayed disaster housing project. NAME: Ms Zodwa Xolo - No water supply in Mcabishi since 2018 and it was alleged that water tankers were delivering dirty water. - Issues with vandalism of water infrastructure. - Request for netball court. - VIP toilet duplication to some families yet other	Friday, 11 April 2025 - All questions raised were responded to accordingly, all issues pertaining to the water challenges were documented, and a strategy would be established. - It was indicated that all what had been raised will be looked through and be

Public Meetings Held:						
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Izimbizo (Cluster 7)	Wednesday, 9 April 2025				people have not received. - Challenges with houses not being allocated to rightful people. - Road project at Nositha to accommodate local people in order to job opportunities and recourse be implanted in an instance that local people were not catered for. Written submissions - Water crisis. - Access roads. - Bridge from Mankuntshane to Gcilema. - Business Forum. - Concern about division within the Ward based on political affiliations e.g. transportation to the mayoral Izimbizo only available for ANC members. - Concerns about ongoing road projects hiring system. - Skills development plans for youth; and - Security forum.	addressed. Also, that the community will be informed about the progress.

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					Ward 01: NAME: Thabani Mbewana • Highmaster lights at Gusheni, Makedi and Eshlalani • Housing Project Phase 1 – 20+- Houses were not included • Mobile Library • Mobile Police station • Disco Hall not conducive • VIP toilets (disabled people) NAME: Ntombizonke Cele • Toilets Port Edward Rank • Highmast Lights EShlayini • Toilets at Thongasi • Fix issue of demarcation • Verge maintenance WARD 02 NAME: Mam Nombanga	

Public Meetings Held:						
Nature and purpose of meeting	Date of event	Number of Participating Municipal Cllrs	Number of participating Municipal Administrators	Number of Community members attending	Issue addressed (Yes/No)	Date and Manner of feedback given to community
					• Requested Sportfiled Extension 2 Ramsgate • Issues of abandon houses to be looked through NAME: Mam Ceka • Verge maintenance • Fixing of potholes • Streetlight at Ramsgate WARD 06 NAME: John Robert • Requested that unemployed disabled community be catered for in drafting of budget as well. No name • Rates increasing are problematic • Pipe leaks • Cable theft • Illegal connections • Plot clearance • Walk away bridge have ramp for disabled people • Outdoor gym • Signage be included in the budget	

Public Meetings Held:						
Nature and purpose of meeting	Date of event	Number of Participating Municipal Cllrs	Number of participating Municipal Administrators	Number of Community members attending	Issue addressed (Yes/No)	Date and Manner of feedback given to community
					• Vacant plots issue be looked through • Highmast lights at Van vyk Brown WARD 10 NAME: Mzelemu • Internet Café for Youth • Sponsorship for youth arts • Employment opportunities NAME: Khanyisa Phungula • Requested that there be a feedback on rejected applications for tertiary registration. Ward 11 NAME: No name • Maintenance of Access roads • Disability healthcare needed NAME: Robert Gumede • Water issue in California • RDP houses	Monday, 14 April 2025 • Her Worship, the Mayor, Cllr PZ Mzindle mentioned that requests will not be the business of the day; however, all requests raised during the Imbizo will be noted. • She gave a brief background on

Public Meetings Held:						
Nature and purpose of meeting	Date of event	Number of Participating Municipal Cllrs	Number of participating Municipal Administrators	Number of Community members attending	Issue addressed (Yes/No)	Date and Manner of feedback given to community
					- Bremaer Hall be maintained - Central SASSA offices NAME: Leon - Margate promenade WARD 19 NAME: Name not mentioned - Maintenance of roads in residential areas - Potholes patching - Upgrade of Uvongo Hall - Make budget available for public comments so that tracking of budget can be done. WARD O3 Name: Ms N Tshezi The following were requested: - - Commended Her Worship to the Mayor for her prompt response when call upon at Masinenge area.	shortlisting of Agricultural students without Matric which forfeited the youth empowerment programme there were only five (5) qualified students. - It was noted that the Department of Transport and Ray Nkonyeni Municipality have different budgets; however, the Department of Transport will be invited to respond to community concerns. - SAPS is responsible with CPF related queries/concerns and smuggling of drugs. - Community members were requested to clean their illegal dumping areas. - It was noted that an amount of R78 million was set

Public Meetings Held:						
Nature and purpose of meeting	Date of event	Number of Participating Municipal Cllrs	Number of participating Municipal Administrators	Number of Community members attending	Issue addressed (Yes/No)	Date and Manner of feedback given to community
					- Commended the progress of the phase 4 & 5 housing project, however, still waiting for Eskom regarding the erection of electricity in June 2025. - Speed humps on road going to MPC next to road 23. - Water issue for phase two and the matter was conveyed via the municipal app whoever there was no response. - requested water meters for phase 3, since those that were erected have the issue of busting; and - Commended the collection of sewerage. Name: Mr Chris (066 147 7175) The following were requested: - - Requested assistance with the newly elected CPF uniforms and working resources. - Requested boreholes for the	aside to fix roads, bridges and stormwater pipes and drainages. - It was noted that all issues pertaining to RDP Houses will be addressed by Mr. Nyawose, from RNM Technical Services. - Verge maintenance issues must be directed to the department of Community Services; - The municipality will erect "No dumping signs". - Her Worship, the Mayor, Cllr PZ Mzindle mentioned advised that only community and protection services available around the area can fight crime; however, the Municipality should be involved to

Public Meetings Held:						
Nature and purpose of meeting	Date of event	Number of Participating Municipal Cllrs	Number of participating Municipal Administrators	Number of Community members attending	Issue addressed (Yes/No)	Date and Manner of feedback given to community
					Masinenge community gardens WARD: 5 Name: Mr A Mbatha The following were requested: - - Conveyed his disappointment regarding the reduction of the disaster budget by Cogta to our municipalities. - Commended the purchasing of graders at Ray Nkonyeni Municipality. - Proposed the inclusion of security guard budget for Ray Nkonyeni Municipality Halls to combat vandalism. - Supported the proposal of halting the building of halls projects and focus on developing rural area road. - Requested for the renewal of Magog building next to TB Molefe to be utilised by upcoming businesses.	address the matter. - Library issues must be directed to RNM Sports and Culture Section; - It was reported that the business plan for VIP toilets was submitted to the Provincial Department for funding. The list of beneficiaries should be sent in December 2025 and January 2026; - The Acting Mayor of UGU District Municipality indicated that the Service Provider was requested to fix the Mpumalanga borehole, in Ward 4; - He alluded to plans in place to improve water system capacity for Bhuboyi Reservoir; and - It was noted that the Water Services

Public Meetings Held:						
Nature and purpose of meeting	Date of event	Number of Participating Municipal Cllrs	Number of participating Municipal Administrators	Number of Community members attending	Issue addressed (Yes/No)	Date and Manner of feedback given to community
					- Requested the Gamalakhe community to love and tidy their area and further emphasised that it is not the responsibility of the municipality, nonetheless the community. Name: Mr K Mavundla The following were requested: - - Commended the Housing projects eNsimbini VD. - Commended the Community Hall in Ward 25. - Requested the inclusion of the budget for the upcoming artists in the next financial year. Name: Ms S Mthembu The following were requested: - - Grass cutting at Halls, roads and sport fields. - Potholes more especially at Ray Nkonyeni rd. - Requested that the water leakage at	team will investigate pipeline bursting at Mbotsha and Bhomela.

Public Meetings Held:						
Nature and purpose of meeting	Date of event	Number of Participating Municipal Cllrs	Number of participating Municipal Administrators	Number of Community members attending	Issue addressed (Yes/No)	Date and Manner of feedback given to community
					Gamalakhe post office be attended to, and further requested for the development and alteration of the post office building if the post office will no longer utilise the building; and - Commended the progress of the concrete road project. WARD: 25 Name: Ms P Nyawose The following were requested: - - Commended the Bridge and the community hall. - Requested access road maintenance. - D916 maintenance from iKomkhulu to Bhomela; and - Commended the concrete road project, however, the project must proceed. Name: Mr M Mpofana The following were requested: -	

Public Meetings Held:						
Nature and purpose of meeting	Date of event	Number of Participating Municipal Cllrs	Number of participating Municipal Administrators	Number of Community members attending	Issue addressed (Yes/No)	Date and Manner of feedback given to community
					- Commended the Community Hall. - Water at Nkulu to Paddock school to oKhalweni to Mveveni. - Standpipe at Sambulo area; and - Toilets at sport fields and halls. Name: Mr Q Cele The following were requested: - - Police station, since paddock police station was utilised. - Sbonguzulu school next to the community hall is developed to Skills Development centre; and - Grass cutting at Thembisa sport field and it must be properly cut including the supporters/fans side and further requested for the refurbishment of the ablution facilities. WARD 26 (No representatives Submitted lists	Wednesday, 9 April 2025 - It was noted that an amount of R78 million was set aside to fix roads, bridges and stormwater pipes and drainages; - It was noted that all issues pertaining to RDP Houses will be addressed by Mr. Nyawose, from RNM Technical Services; - Verge maintenance issues must be directed to the

Public Meetings Held:						
Nature and purpose of meeting	Date of event	Number of Participating Municipal Cllrs	Number of participating Municipal Administrators	Number of Community members attending	Issue addressed (Yes/No)	Date and Manner of feedback given to community
					The following were requested: - • Bridge Ohlangeni. • Tar road on D2472. • Concrete on access roads and kwaGonondo road at eSdeni. • Road maintenance it was damaged by rain. • High mast maintenance oHlangeni. • Bridge at Sdeni. • Concrete road kaElvis. • Road maintenance and drainage system ngakaSosibo since water damages the house; and • Water maintenance at Thembalihle. WARD 27 Name: Ms T Lubanyana The following were requested: -	department of Community Services; • The municipality will erect "No dumping signs"; • Her Worship, the Mayor, Clr PZ Mzindle mentioned advised that only community and protection services available around the area can fight crime; however the Municipality should be involved to address the matter; • The community was commended for being respectful and it was indicated that all concerns raised would be dealt with; • Eskom related issues will be escalated accordingly and noted governments intervention that

Public Meetings Held:						
Nature and purpose of meeting	Date of event	Number of Participating Municipal Cllrs	Number of participating Municipal Administrators	Number of Community members attending	Issue addressed (Yes/No)	Date and Manner of feedback given to community
					- Commended Her Worship the Mayor for the proposal of the extension of kwaXaba Hall. - Commended kwaXaba Tar Road and concrete road and requested speed humps. - Commended the continuation of Housing project. - Commended the purchase of municipal graders. - Commended the KwaNositha Bridge project. - Commended the Borehole project; and - Requested the community to not vandalise the abovementioned projects. Name: Mr B Dindikazi The following were requested: - - Accelerate the kwaNositha bridge project. - Extension of waterpipes eMqolobeni.	seeks to address their challenges; - Community was urged to continue to pay the rates since they contributed in service delivery; and - All issues related to maintenance and monitoring of Community halls were noted; - It was reported that the business plan iro VIP toilets were submitted to the Provincial Department for funding. The list of beneficiaries should be sent in December 2025 and January 2026; and - It was noted that the Water Services team will investigate pipeline bursting in all affected areas.

Public Meetings Held:						
Nature and purpose of meeting	Date of event	Number of Participating Municipal Cllrs	Number of participating Municipal Administrators	Number of Community members attending	Issue addressed (Yes/No)	Date and Manner of feedback given to community
					- Revisit the issue of Toilets. Name: Ms L Mkhungo / Mrs. Dladla The following were requested: - - Commended the development in Ward 27. - Requested School at KwaNositha. - Support Ogogo in August 2025, since it's Women's Month. - Water KwaNositha. - Youth Funding; and - Bridge at Mlambodaka. Submitted lists NAME: Ms B Mkhize The following were requested - Bridge eMlambodaka - Streetlight. NAME: Veliswa N Sobhijasi (073 087 7509)	

Public Meetings Held:						
Nature and purpose of meeting	Date of event	Number of Participating Municipal Cllrs	Number of participating Municipal Administrators	Number of Community members attending	Issue addressed (Yes/No)	Date and Manner of feedback given to community
					The following were requested: - • Requested assistance with her creche at least a prefab and toilets. • Requested a house since I have a shack house please assist. WARD 28 Name: Mr Mdindi The following were requested: - • Commended the Ray Nkonyeni Municipality for the development. • Sewerage maintenance next to Commercial School to ZG. • Boreholes at House 108, 150 and 149 since it damages these houses and the road. Name: Mr M Hlophe The following were requested: - • LED funding was awarded to five companies that were	

Public Meetings Held:						
Nature and purpose of meeting	Date of event	Number of Participating Municipal Cllrs	Number of participating Municipal Administrators	Number of Community members attending	Issue addressed (Yes/No)	Date and Manner of feedback given to community
					not part of the Ray Nkonyeni Municipality - Water maintenance at Gamalakhe Taxi rank; and - Does the appointed contractor have sufficient information to convey to the Municipality regarding the price of wayleaves and spectrum for fibre. Name: Mr (Ward representatives) The following were requested: - - Requested road maintenance by the Gamalakhe swimming pool. - Since the concrete project has halted, are there any other avenues to be conducted while waiting for supply of concrete. Submitted lists NAME: Siniko Ncayiyana omele Disability in Ward 28 (078 392 8929) The	

Public Meetings Held:						
Nature and purpose of meeting	Date of event	Number of Participating Municipal Cllrs	Number of participating Municipal Administrators	Number of Community members attending	Issue addressed (Yes/No)	Date and Manner of feedback given to community
					following were requested: - - Commended the Ray Nkonyeni Municipality for supporting people living with disabilities at Gamalakhe. - Maintenance of houses for people living with disabilities; and - Please visit Zinhle Shange's home at Popo Village, she's in a wheelchair. NAME: Sizwe Mavundla The following were requested: - - Requested a site (from ikomkhulu) to build school kwaNositha. - Water we have a huge problem kwaNositha; and - Accelerate the water project kwaNositha NAME: Mrs. Mandeliza (076 380 9333)	

Public Meetings Held:						
Nature and purpose of meeting	Date of event	Number of Participating Municipal Cllrs	Number of participating Municipal Administrators	Number of Community members attending	Issue addressed (Yes/No)	Date and Manner of feedback given to community
					The following were requested: - - Requested advert extension regarding the Premiers advert on Women Empowerment Project, the cut-off date was too short. NAME: MaNdovela – Rev (Izalukazi ZakwaXaba) The following were requested: - - Commended the outstanding work of attending to our issues and development in our area by the Ward Councillor WARD 22 NAME: GUGU Chiliza - Appreciated highmast installed in Madakane. - Bad roads in Madakana request concrete, roads	

Public Meetings Held:						
Nature and purpose of meeting	Date of event	Number of Participating Municipal Cllrs	Number of participating Municipal Administrators	Number of Community members attending	Issue addressed (Yes/No)	Date and Manner of feedback given to community
					not drivable on rainy weather. - Requested borehole at Emaphuphwini. - Water tank was vandalised, requested intervention. NAME: Thobekile Hlophe - No water at kwaMaveshe. - UGU officials left holes open for water pipes unattended and pose danger to kids; to be attended to urgently. NAME: Philani Skhahlana - There was no Disability Sector Committee or Structure in a Ward to discuss and have input or	

Public Meetings Held:						
Nature and purpose of meeting	Date of event	Number of Participating Municipal Cllrs	Number of participating Municipal Administrators	Number of Community members attending	Issue addressed (Yes/No)	Date and Manner of feedback given to community
					develop projects for people living with disabilities which will benefit and empower them. WARD 23 NAME: Bonisile Gumede requested for the following services: • Bridge near Sidumile Primary School, the bridge overflows during rainy days, there has been fatality reported due to drowning. • Streetlight near Ndobe Tarven, not safe for people walking home in the afternoon especially in winter NAME Zamokuhle Jali: • Requested streetlight	

Public Meetings Held:						
Nature and purpose of meeting	Date of event	Number of Participating Municipal Cllrs	Number of participating Municipal Administrators	Number of Community members attending	Issue addressed (Yes/No)	Date and Manner of feedback given to community
					near Sidumile Primary School, there were fatalities reported due to robbery. • Requested a Park, Hall and Library in Bhoboyi to assist school children and youth. • Requested shopping centre and Police Station in Bhoboyi area. • To address the issue of foreigners without necessary documentation. NAME: Sphehile Mngqozini • Water scarcity in Bhoboyi was a huge challenge. • Provision of free data /	

Public Meetings Held:						
Nature and purpose of meeting	Date of event	Number of Participating Municipal Cllrs	Number of participating Municipal Administrators	Number of Community members attending	Issue addressed (Yes/No)	Date and Manner of feedback given to community
					Wi-Fi to assist school children and youth - Enquired for the municipality vision into 4th industrial revolution. - Lack of job opportunities for youth. - Requested RDP houses in Jesus area. - Applauded the municipality for extending concrete from 400 to 500 metres. - Acknowledged the recruitment of Traffic Officers. WARD 24 NAME: Ayanda Zama: - Disappointed on how the Executive Committee led	

Public Meetings Held:						
Nature and purpose of meeting	Date of event	Number of Participating Municipal Cllrs	Number of participating Municipal Administrators	Number of Community members attending	Issue addressed (Yes/No)	Date and Manner of feedback given to community
					by the mayor failed to resolve employees' grievances which led to protest action. - Lack of monitoring and evaluation of project resulted in project not being completed due to lack of competence. - Training offered to youth must carry value and youth should be involved in deciding on their training needs. - Youth empowerment programmes must be prioritised. NAME: Luze Cikwayo: - Water challenges in the area near Mbijane store. - Request	

Public Meetings Held:						
Nature and purpose of meeting	Date of event	Number of Participating Municipal Cllrs	Number of participating Municipal Administrators	Number of Community members attending	Issue addressed (Yes/No)	Date and Manner of feedback given to community
					ed water tankers. • D1055 road was in a bad state. • Sportfield in Bhuqu need maintenance. • Hall in Bhuqu need to be repaired. • Borehole in Bomela need to functioning. • Requested speed humps in Bomela. • Requested streetlight near Madikazi Clinic, due to high crime rate in the area. • Ndlovu family house collapsed during floods, officials from Disaster Unit came for assessment and no feedback was	

Public Meetings Held:						
Nature and purpose of meeting	Date of event	Number of Participating Municipal Cllrs	Number of participating Municipal Administrators	Number of Community members attending	Issue addressed (Yes/No)	Date and Manner of feedback given to community
					provided thereafter, intervention was sought. - Manuku za bridge collapsed and needs to be refurbished since it was being used by Nsingizi and Makhanda school children. - There was no development in Cambalala and Zibambele area. NAME: Sthembile Dladla: - No water in Chibini area. - Requested the bridge near Shisanyama and Zwelihle. - Open sewerage near Emacrosini needs to be	

Public Meetings Held:						
Nature and purpose of meeting	Date of event	Number of Participating Municipal Cllrs	Number of participating Municipal Administrators	Number of Community members attending	Issue addressed (Yes/No)	Date and Manner of feedback given to community
					attended to urgently. - Request ed Disability Desk. - Road at Mashembeni needs repairment. - No water at Mdlungwana area. WARD 04 NAME: Ms Thabisile Msomi - Appreciated progress budget report on upgrade of Chief Road. - Request ed job opportunities through construction of the above project. - Library was also requested in Ward 4. - Scarcity of water in the area. Borehole	

Public Meetings Held:						
Nature and purpose of meeting	Date of event	Number of Participating Municipal Cllrs	Number of participating Municipal Administrators	Number of Community members attending	Issue addressed (Yes/No)	Date and Manner of feedback given to community
					installed near Mpumalanga Store was not functional; and - Appreciated construction of 1000 RDP houses which were towards completion. NAME: Mr Mzelemu - Requested VIP toilets for the new houses. - Mobile Police Station at MPCC was also requested. - Nappy change room was requested at Ward 4 Creche; and - Water provision from Saloon to Mzelemu. WARD 17 NAME: Ms Jennifer Bam at Merlewood - Concern raised on	

Public Meetings Held:						
Nature and purpose of meeting	Date of event	Number of Participating Municipal Cllrs	Number of participating Municipal Administrators	Number of Community members attending	Issue addressed (Yes/No)	Date and Manner of feedback given to community
					incomplete Merlewood, housing project, Phase 1. - Inconsistency of water channel in front of doors. - Roads are washed away due to heavy rains. Road infrastructure must be improved. - There were five illegal dumping sites, and waste has not been removed for a long time. - Requested a Community Policing Forum in Merlewood. - Illegal electricity by-passers and drug lords must be reported. - Drugs and substance abuse awarenesses	

Public Meetings Held:						
Nature and purpose of meeting	Date of event	Number of Participating Municipal Cllrs	Number of participating Municipal Administrators	Number of Community members attending	Issue addressed (Yes/No)	Date and Manner of feedback given to community
					must be undertaken. - Library building and computer equipment must be improved. - Requested permission to access the Youth Centre. - Clearing of a bush alongside Marburg Road. - Maintenance of Marburg Sports Ground; and - Requested information to get gel stoves. NAME: Mr Dumsani Madlala Hlanganani VD - Appreciated fixing of the transformer at Mboyi 3; however, there were illegal connections at the rental	

Public Meetings Held:						
Nature and purpose of meeting	Date of event	Number of Participating Municipal Cllrs	Number of participating Municipal Administrators	Number of Community members attending	Issue addressed (Yes/No)	Date and Manner of feedback given to community
					rooms across the road. - Quarrying/concreting of Ring Road. - Requested v-drains and concrete along Merlewood Road. - Requested grader to clear dump at Merlewood illegal dumping. - Water challenge at KwaNgwabe VD was reported; and - Requested refurbishment of the bridge, next to Cllr Morafe, at KwaNgwabe VD. WARD 18 NAMEMs Fatima Moosa - Requested verge	

Public Meetings Held:						
Nature and purpose of meeting	Date of event	Number of Participating Municipal Cllrs	Number of participating Municipal Administrators	Number of Community members attending	Issue addressed (Yes/No)	Date and Manner of feedback given to community
					cutting at Merlewood road. - Reported illegal dumping which caused non – hygiene in the area. - Fixing of potholes. - Dysfunctional of Streetlights. - Requested protection service at Merlewood Primary during school hours. - Fixing of the stormwater drainage. - Reported water burst pipes at Valley Road and nearby surrounding. - Requested extension of RDP houses due to population growth; and	

Public Meetings Held:						
Nature and purpose of meeting	Date of event	Number of Participating Municipal Cllrs	Number of participating Municipal Administrators	Number of Community members attending	Issue addressed (Yes/No)	Date and Manner of feedback given to community
					- Tree and bush trimming were also requested. WARD 20 NAME: Mr Luxolo Madikizela Mkholombe - Appreciated water provision in the area. - Requested skips to store garbage since there were illegal dumping sites in the area. - Patrol services were requested due to high level of crime. - Fixing of streetlights were also requested. Issuing title deeds; and - Request made for the taxis to deliver passengers	

Public Meetings Held:						
Nature and purpose of meeting	Date of event	Number of Participating Municipal Cllrs	Number of participating Municipal Administrators	Number of Community members attending	Issue addressed (Yes/No)	Date and Manner of feedback given to community
					next to UGU Marke NAME: Mr Good-one Shibe - Reported that Mazubane bridge was incomplete. - Upgrade of D116. Fixing pipe bursting at Mbotsha to Bhomela and GG to Murchison hospital; and - Request made on DoT and RNM to collaborate in road concreting instead of road quarrying. NAME: Mr Simphiwe Sima - Reported illegal dumping at King area and Ward 21. - Request	

Public Meetings Held:						
Nature and purpose of meeting	Date of event	Number of Participating Municipal Cllrs	Number of participating Municipal Administrators	Number of Community members attending	Issue addressed (Yes/No)	Date and Manner of feedback given to community
					ed road tarring in Ward 20 and GG area. - Request ed a vehicular bridge at Mbotsha and GG. - Request ed construction of Nqatsheni road to merge with D1014; and - Youth Empowerment based on Agriculture was also requested. WARD 12 Name: Mr Siseko Nkonzo: - Request ed an Outdoor Gym facilities; and - Water channelings and leverage systems be considered especially	

Public Meetings Held:						
Nature and purpose of meeting	Date of event	Number of Participating Municipal Cllrs	Number of participating Municipal Administrators	Number of Community members attending	Issue addressed (Yes/No)	Date and Manner of feedback given to community
					during flooding weather. Name: Mrs. Bhane Protea Park - Grass - mowers should improve their work and be monitored. Name: Mrs. Mkhungo - An overgrown foliage due to poor service of grass - mowers were reported. WARD 13 Name: Mr Luthuli requested the following services - Maintenance of the Community Hall (No electricity, improvement of the drainage system). - Request ed market stalls for street vendors.	

Public Meetings Held:						
Nature and purpose of meeting	Date of event	Number of Participating Municipal Cllrs	Number of participating Municipal Administrators	Number of Community members attending	Issue addressed (Yes/No)	Date and Manner of feedback given to community
					• Servicing of highmasts. • Provision of grader services in Ward 13; and • Improve water provision system in the area. Name: Mr Musa Majola: • Creation of sustainable employment opportunities at market stalls in Hibberdene. • Fixing of potholes at Hibberdene. • Requested grass – mowers at Aliton and Stickfarm areas. • Jojo tanks at Dabu and Frank areas; and • Ward Committee must be contacted on	

Public Meetings Held:						
Nature and purpose of meeting	Date of event	Number of Participating Municipal Cllrs	Number of participating Municipal Administrators	Number of Community members attending	Issue addressed (Yes/No)	Date and Manner of feedback given to community
					community needs. Name: Manono Mqadi, in Ward 13 - Fixing of potholes next to mine. - No accountability from the Councillor; and - Servicing of Streetlights. WARD 14 Name: Ms Ntombi Mkhize Bhaka requested road maintenance at Lousiana. - Water provision at Gwababa area. - Construction of a two – way bridge next to Gwababa area. - Records of the VIP Toilets were	

Public Meetings Held:						
Nature and purpose of meeting	Date of event	Number of Participating Municipal Cllrs	Number of participating Municipal Administrators	Number of Community members attending	Issue addressed (Yes/No)	Date and Manner of feedback given to community
					not corresponding to the list provided; and - Request ed water provision since water was accessible in August 2024. Name: Mrs. Nozipho Zulu - Request ed yellow plant for road upgrade during heavy rains. - Upgrade of Domba Sports Ground. - Concern raised on vula-vala programme effected for 2 months without water. - Fixing of pipeline burst done by the current Service Provider; and - Truck Drivers must ensure that all community is	

Public Meetings Held:						
Nature and purpose of meeting	Date of event	Number of Participating Municipal Cllrs	Number of participating Municipal Administrators	Number of Community members attending	Issue addressed (Yes/No)	Date and Manner of feedback given to community
					served with water. Name: Mr Ndukuzabo Mkhwanazi - Request ed water tankers. WARD 15 Name: Mr Thabani Delwa - Concern raised on non – completion of Mvuzane bridge, Ntshambili and Maygog bridge. Narrowing Spillers Road due to traffic congestion. - Request ed fee waiver of Toll Roads due to closure of R102, Umtentweni Road. - Poor network coverage was reported next	

Public Meetings Held:						
Nature and purpose of meeting	Date of event	Number of Participating Municipal Cllrs	Number of participating Municipal Administrators	Number of Community members attending	Issue addressed (Yes/No)	Date and Manner of feedback given to community
					to Ward 15 MPCC. Name: Mr Amos Mavuso Nkambini area • Rehabilitation of Nkambini bridge. • Progress on Ward 15 Service Delivery projects. • Concern raised on monthly water provision. • Requested appointment of a caretaker at Zimisele Creche. • Patrollers/ Ward Protection Forum due to high rate of crime and rapists. • Requested for a local	

Public Meetings Held:						
Nature and purpose of meeting	Date of event	Number of Participating Municipal Cllrs	Number of participating Municipal Administrators	Number of Community members attending	Issue addressed (Yes/No)	Date and Manner of feedback given to community
					high school; and - Grader services were requested on the road leads to private farms. WARD 16 Name: Mr. Nazir Shake - Water pipe fixing was appreciated. - Requested Ward 16 Road Budget allocation. - Concern raised on 4.6 % rates increase; hence no services were rendered during labour unrest. - Extension of Umtentweni and Seapark Halls. - A Translator was requested to	

Public Meetings Held:						
Nature and purpose of meeting	Date of event	Number of Participating Municipal Cllrs	Number of participating Municipal Administrators	Number of Community members attending	Issue addressed (Yes/No)	Date and Manner of feedback given to community
					balance understanding of the Imbizo discussions. - There was no mention of Ward 16 Service Delivery projects; and - Monitoring of verge cutters. Name: Clive - Repair of storm drainage system in 3rd Avenue, Sea Park since it was washing the sand dunes and beach. - Feedback on current projects and implementation challenges on old projects were requested; and - Ratepayers must be involved in	

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

2.6 IDP Participation and Alignment

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

Component D: Corporate Governance

2.7 Risk Management

Ray Nkonyeni Municipality has a risk management function that is facilitated internally by the Internal Audit & Risk Management Section to ensure the following functions are performed:

- Reviewing the risk management policy, framework, strategy, and implementation plan at least annually and submitting it to the risk committee for consideration;
- Coordinating risk management activities;
- Facilitating the identification and assessment of risks;
- Following up on risk responses and action plans developed by management; and
- Facilitating risk reporting to the Risk Management Committee and the Audit Committee on a quarterly basis.

Section 62(1)(c)(i) of the MFMA requires that the Accounting Officer ensures that the municipality has and maintains effective, efficient, and transparent systems of risk management. Section 78 delegates responsibility to all senior managers and other officials of municipalities and implies that the responsibility for risk management vests at all levels of management and that it is not only limited to the Accounting Officer and Internal Audit.

The municipality has a functional Risk Management Committee that was appointed by the Accounting Officer. The committee is responsible for assisting the Accounting Officer in addressing its oversight requirements of risk management and evaluating the institution's performance regarding risk management. The members of the Committee as a collective have made a meaningful contribution to the advancement of the risk management within the Ray Nkonyeni Municipality during the 2024/2025 financial year. The Risk Management Committee met regularly and was able to sit for the four quarterly meetings that were scheduled for the financial year. Furthermore, the Risk Management Committee: -

- Discussed challenges and possible areas of improvement in respect of the risk management system within the municipality.
- Monitored progress on action plans developed by management as part of mitigation measures.

- Provided reports timeously to the Accounting Officer on the state of risk management, together with areas requiring improvement accompanied by the Committee's recommendations to address such issues.
- Submitted quarterly reports to the Audit Committee regarding monitoring and management of risks with the municipality.

The top 5 residual risks facing the municipality are as follows:

1. Poor repairs and maintenance of infrastructure (Roads, Electricity, Buildings).
2. Inadequate landfill space (airspace).
3. Non availability of heavy-duty fire engines to deal with Airport, operations and high-rise buildings
4. Carrying of cash and manual banking by motor licensing officials
5. Abuse of leave by members of staff.

2.8 Anti-Fraud and Corruption

Fraud and Corruption Strategy

Ray Nkonyeni Municipality (RNM) remains committed to promoting ethical conduct, transparency, accountability, and good governance in all aspects of its operations. As part of this commitment, the Municipality has developed and annually reviews its Anti-Fraud and Corruption Strategy. This policy outlines a zero-tolerance approach to fraud, corruption, maladministration, theft, and any other dishonest behavior. It serves as a critical instrument in guiding the Municipality's efforts in fraud prevention, detection, reporting, and response, while aligning with applicable legislation and national anti-corruption frameworks.

A comprehensive review of RNM's Anti-Fraud and Corruption Strategy was conducted to ensure compliance with relevant legislation and alignment with best practices. The review considered key legislative and governance frameworks, including the Public Sector Anti-Corruption Strategy (2002), the Prevention and Combating of Corrupt Activities Act (No. 12 of 2004), the Municipal Finance Management Act (MFMA, No. 56 of 2003), the Protected Disclosures Act (No. 26 of 2000), and the King IV Report on Corporate Governance (2016).

The policy was found to effectively outline the roles, responsibilities, and processes required for fraud prevention and management. It incorporates clear reporting channels, awareness campaigns, preventive controls, and response mechanisms. However, areas for improvement include expanding post-incident analysis to inform

future prevention efforts, increasing the documentation of training participation, and enhancing mechanisms for tracking compliance with the Code of Conduct.

The Anti-Fraud and Corruption Strategy applies to all municipal officials, councilors, service providers, contractors, suppliers, and other stakeholders engaging with the Municipality. The strategy articulates the Municipality's commitment to uphold the highest standards of ethical behavior and to respond decisively to any reported allegations of fraud or corruption. To give effect to this commitment, the Municipality has a dedicated Anti-Fraud and Corruption Committee. The Committee is tasked with overseeing all fraud risk management activities, reviewing reported incidents, recommending control improvements, and promoting an anti-fraud culture throughout the organisation. The Municipality has implemented various mechanisms to facilitate the reporting of fraud and corruption, ensuring confidentiality and protection for whistleblowers. Allegations may be reported directly to the Office of the Municipal Manager. Furthermore, residents and staff may use the National Anti-Corruption Hotline, administered by the Public Service Commission, which allows for anonymous disclosures without fear of retaliation. The reporting channels include:

Telephone: 0800 701 701 (Toll-Free)

Fax: 0800 204 965 (Toll-Free)

SMS: 39772

Post: P.O Box 582, Umhlanga Rocks, KwaZulu-Natal, 4320

Email: Integrity@publicservicecorruptionhotline.org.za

Additionally, walk-in disclosures can be made at any of the Public Service Commission offices. These mechanisms provide the public and employees with accessible means to report unethical behaviour, thereby reinforcing the Municipality's stance on accountability and transparency.

Anti-Fraud and Anti-Corruption Prevention Initiatives

The prevention of fraud and corruption is a key strategic objective for RNM. The Municipality recognises that strong internal controls, ethical awareness, and a culture of integrity are essential in mitigating risks related to fraudulent activities. Preventive measures outlined in the strategy include: Mandatory signing of the Code of Conduct by councilors and officials. Enforcement of the ethics policy. Annual fraud and ethics

awareness campaigns. Annual fraud risk assessments to identify emerging threats. Utilisation of the National Anti-Corruption Hotline for whistleblowing. Declaration of remunerative work outside municipal employment. Disclosure of actual or perceived conflicts of interest. Prohibition of employing individuals previously implicated in corruption. Implementation of robust internal controls to detect and correct irregularities. These initiatives demonstrate the Municipality's proactive approach to embedding an ethical culture and preventing misuse of resources. As part of strengthening ethical governance, the Department of Cooperative Governance and Traditional Affairs (CoGTA) delivered a presentation to the Accounting Officer, Heads of Department, and extended Management on the Code of Ethical Leadership. The session aimed to reinforce the management's role in setting the ethical tone at the top, promoting integrity, and aligning conduct with constitutional and legislative expectations. This intervention complemented the Municipality's ongoing ethics and fraud awareness campaigns and underscored the importance of embedding ethical leadership as a cornerstone of fraud prevention.

Anti-Fraud and Anti-Corruption Response Strategies

In the event that fraud or corruption is suspected or detected, the Anti-Fraud and Corruption Response Strategy provide a structured approach for investigation and resolution. The response strategy ensures that incidents are dealt with promptly, fairly, and consistently across all departments.

Key principles of the response strategy include:

Immediate assessment of allegations and initiation of investigative procedures. Involvement of disciplinary processes and legal action, where warranted. Recovery of losses and restitution, where applicable. Regular reporting of outcomes to the Council, Audit Committee, and relevant authorities. Feedback mechanisms to refine internal controls and mitigate future occurrences.

The Municipality's leadership, through the Council, Anti-Fraud Committee, and senior management, ensures that response actions are executed with integrity and urgency. A consistent and zero-tolerance approach reinforces deterrence and supports organisational integrity.

Conclusion

The Anti-Fraud and Corruption Strategy of Ray Nkonyeni Municipality is largely compliant with statutory requirements and demonstrates strong alignment with national and international best practices. However, to strengthen the policy's effectiveness and ensure continued relevance, the following recommendations are proposed: Expand post-incident reviews to extract lessons learned and update procedures accordingly. Track attendance and impact of anti-fraud training interventions through formal records. Regularly audit conflict of interest disclosures and declarations of external work. Broaden community awareness initiatives to include more localised stakeholder engagement. Develop a digital ethics and disclosure register to streamline compliance monitoring.

The Municipality's commitment to anti-fraud efforts, backed by proactive prevention and decisive response strategies, plays a vital role in fostering a clean, efficient, and accountable administration. These efforts are crucial for safeguarding public resources, enhancing service delivery, and maintaining public trust.

2.9 Supply Chain Management

Overview Supply Chain Management:

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

General Reporting

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

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

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

Supply Chain Management Processes

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

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

Between R30 000.00 and R300 000.00 a mini tender process is followed, and a full Tender Register reflecting all relevant information is kept at the SCM Unit in Margate. Due to the lack of suitable venue and facilities, as well as the volume of this process, it is not possible to open all mini tenders in public. The Monthly Report to the Finance Portfolio of all awards within the “Mini tender” category is being done in accordance with Section 17 of the Supply Chain Management Regulations.

Open tenders with the value of R300 000.00 and above follow the 3 Bid Committee System; Bid Specification Committee, Bid Evaluation Committee and Bid Adjudication Committee. The Committee members are appointed in writing by the Municipal Manager. The delegated authority of the Bid Adjudication has been set at R10 million. All bids above this threshold, and more than a period of one (01) year are referred to the Office of the Municipal Manager for final approval before implementation. Tenders remain the responsibility of the user Department from the inception right to the handover or closeout report.

The bidding documents are based upon the Standard Terms of Contract and bidding documents as supplied by National Treasury. Special conditions are approved when applicable. The 80/20 and 90/10 split applied to all contract values, the municipality must advertise the tender with a specific tendering preferential procurement requirement that for a tenderer to claim 10 / 20 points for specific goals as stipulated in the PPPFA regulations.

Supply Chain Management Policy

The SCM Policy was adopted with other accounting policies by council during the tabling of Final Budget 2024-2025 on the 24th of May 2024 of Ray Nkonyeni Municipality. The SCM Policy has been amended to include the processing of Panels as per the guidelines issued by the Provincial Treasury. The draft SCM Policy has been approved as the new SCM policy on 27 May 2025.

Preferential Procurement Policy

There have been amendments in the PPPFA regulations on the 14th of December 2023, and the policy is on an implementation stage. The new PPPFA policy was adopted in February 2024, and it was further subjected to the process of review and tabling during the presentation of Ray Nkonyeni Municipality Draft Budget 2024-25 on the 26th of March 2024 together with other budget related policies for the adopted.

Contract Management

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

Code of Ethics

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

Training and Competency

In accordance with the requirements of Section 8 of the SCM Regulations, as well as Section 83 of the MFMA, all SCM Practitioners must have a minimum level of competency, and the training of staff to meet the requirements is on-going.

Database

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

2.10 By-laws

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

2.11 Websites

The website was fully functional during the 2024-2025 financial year, previously the full functionality of the website was hampered by several factors, and this affected compliance with MFMA section 75, but with the assistance of a dedicated service provider the Municipality has managed to ensure full functionality of the website and there is continuous improvement on the website to make sure it serves ratepayers and other stakeholders efficiently. There is timeous upload of statutory documentation which has improved compliance with MFMA section 75.

All municipal libraries have wireless access to ensure that community has access to municipal information when visiting their local library. Libraries that have internet access for communities are as follows Gamalakhe, Margate, kwaNdwane, Hibberdene, Port Edward, Ezinqoleni (Cyber cadets are available to assist community), the rest of libraries have internet public access but currently no cyber cadets available to assist the community. There were 19 cyber-cadet workshops conducted, and 14 schools visited to promote the usage of internet facilities in libraries and empowered our communities through training interested candidates on computer literacy.

Municipal Website: Content and Currency of Material	
Documents published on the Municipality's / Entity's website	Yes/No/N/A
Current Annual and Adjustments budgets and all budget-related documents	Yes
All current budget-related policies	Yes
The previous annual report	Yes
The annual report published/to be published	Yes
All current performance agreements required in terms of section 57(1)(b) of the Municipal Systems Act and resulting scorecards	Yes
All service delivery agreements 2024-2025	Yes
All long-term borrowing contracts 2024-2025	Yes
All supply chain management contracts above a prescribed value for 2024-2025	Yes
An information statement containing a list of assets over a prescribed value that has been disposed of in terms of MFMA section 14(2) or (4) during the year	N/A*
Contracts agreed in the year to which subsection (1) of section 33 apply, subject to subsection (3) of that section	Yes
Public-private partnership agreements referred to in section 120 made in 2024-2025	N/A*
All quarterly reports tabled in the council in terms of section 52 (d) during 2024-2025	Yes
* N/A: The municipality did not engage in activities that would result in such documentation being necessary	

2.12 Public Satisfaction in Municipal Services

Customer Satisfaction Survey Analysis

A new Public satisfaction (Customer Satisfaction Survey Analysis) will be conducted in the next financial year 2025/2026. The current one is still within the three years threshold.

Stakeholder Relations & Customer Care Office conducted a customer satisfaction survey analysis for 2022/2023 financial year, of which will last until the 2024/2025 financial year. The results within different municipal services were recorded as follows:

Geographic Locality

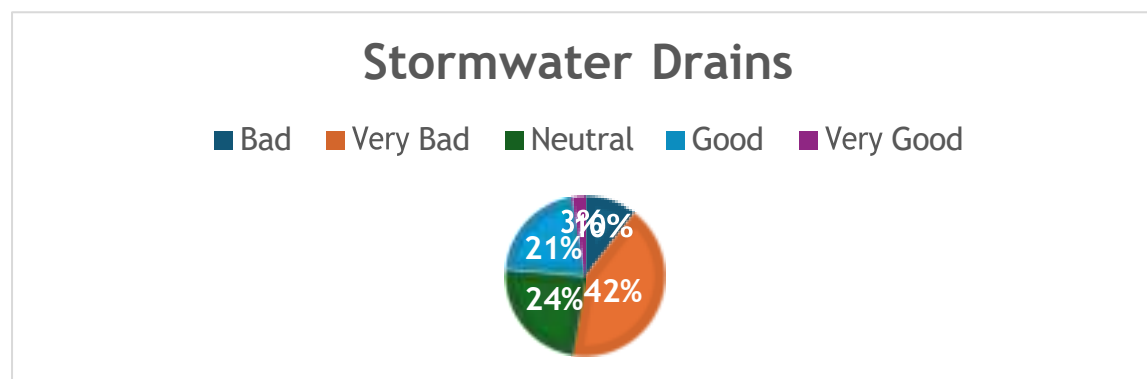


Roads



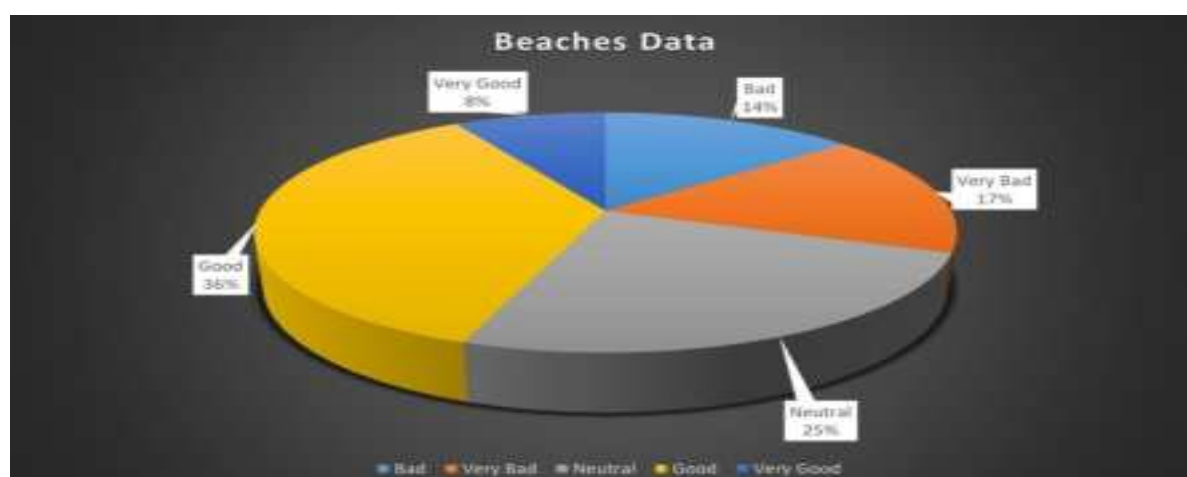
The above graph clearly demonstrates that responses in relations to Roads satisfaction were very bad with 21% being the highest percent meanwhile 7% responded as bad and with 5% being equally good and neutral.

Stormwater drains



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

Beaches



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

2.13 All municipal oversight committees

The RNM municipal committees consist of the following committees:

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

For more information, please refer to Appendix B

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

Component A: Basic Services

3.1 Electricity

Introduction to Electricity:

Ray Nkonyeni Municipality Department of Technical Services (DTS) provides electricity services and is responsible for the entire municipal electrical infrastructure.

The department's responsibilities are as follows:

Electrical Maintenance

- Repairs and maintenance of all public lighting infrastructure, that is, streetlights and high masts lights in all wards within Municipal Areas from Hibberdene to Port Edward and in former Ezinqoleni wards;
- Repairs and maintenance of all traffic Lights within the Municipal Areas and Wards from Hibberdene to Port Edward;
- Maintenance of all municipal buildings, facilities, and properties in all Wards within Municipal Areas.

Electricity Distribution Network

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

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

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

Electricity Administration

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

The Electrical Section's functions includes:

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

Electricity Network Planning

- Development of an electricity infrastructure network master plan;

- To include, a network development plan (NDP), network upgrade and refurbishment plans;
- Implementation of the electricity infrastructure master plan;
- Network load growth forecasting;
- Network load flow studies; and
- Network protection studies.

Small-Scale Embedded Generation (SSEG)

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

The SSEG policy covers:

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

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

- a) Defines SSEG as small-scale embedded generation/generator refers to power generation installations (e.g., solar photo-voltaic, PV) of less than or equal to 1MVA (or 1000kVA) that are located at residential or commercial or industrial customer sites.

System is grid-tied, i.e., connected to the municipality's electrical network either directly or through a customer's internal wiring.

b) By-law sets out procedure for approving the connection of SSEG systems – Clause 1, 11, 12

c) By-law talks to SSEG tariffs and metering – Clause 13, 23

d) By-law regulates wheeling of electricity – Clause 27

e) By-law regulates resale of electricity – Clause 28

f) Municipality's right to disconnect unauthorized or illegal connections or embedded generators that do not comply with these by-laws and the SSEG Policy – Clause 35

g) Compliance of embedded generation systems to technical standards and to distribution network operational requirements – Clause 39.

Electricity Revenue Enhancement Programme

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

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

- Tariffs are re-design by conducting detailed cost of supply study and ensure customers are charged in accordance with cost of supply study.
- Billing and revenue improvement plans
- Data cleansing to prioritize data audits and clean-up of master and meter data
- Prioritize correction of billing inconsistencies
- Installation of check meters to verify Eskom bulk purchases and to conduct energy balancing
- Replacement of analogue and obsolete meters
- Resolve environmental issues, vegetation control required to improve meter accessibility

- Re-instatement of interconnector between Marburg and Port Shepstone main intake points
- Electrification of households who are currently on free basic alternative energy programme
- Audit of free basic electricity (FBE) programme
- Field audits of land parcels to determine land use
- Electricity technical and billing process improvements
- Introduction of bulk contribution calculations policy to be approved by Council
- Curb outages due to theft and vandalism and address illegal connections
- Detailed network infrastructure studies to be prioritized for infrastructure upgrades
- Implement data and revenue management dashboard tool
- Electricity infrastructure refurbishments and replacements – electrical cables, mini-substations, and inter-switches replacements
- Memorial and Reynolds switchgear refurbishment and replacement
- Establish PMO for integration between meter installation and meter management system
- Physical land use and electricity meter audits
- Linking of land use with land use scheme (zoning) and linking of land audit data to metering data
- Prioritizing key capital revenue enhancement projects requiring refurbishment/ replacement to improve revenue recovery
- Legal and governance by alignment of agreement as per municipal by-laws
- Improve data analytics, control, and upgrade operating processes to automated workflow tools
- Implement integrated marketing and communication plan for simplicity and consistency in communications.

Electricity Cost of Supply Study

Technical Services Department conducted a cost of supply study with the purpose to provide a comprehensive analysis of the electricity supply costs and develop a tariff model that aligns with the National Energy Regulator of South Africa (NERSA) cost of

supply framework and guidelines. In terms of the provisions of the Electricity Pricing Policy (EPP), (GG 31741 of 19 December 1998) all licenced electricity distributors are required to in five-year intervals submit a Cost of Supply (CoS) Study to NERSA. To judge the operational performance of electricity distribution on municipal level, it is necessary to conduct a cost of supply (COS), or cost to serve (CTS) analysis. This is imperative in the setting of tariffs for the various categories of customers that are served by the municipality. The municipal objective is to set fair and equitable tariffs, based on the sound allocation of all costs to provide the services. The main objectives of the study were:

- Implementation of cost reflective tariffs within an acceptable definition of cost reflectivity (not necessarily absolute cost reflectivity due to cross-subsidisation policies).
- Execution of specific cost reduction strategies, based on consumption behaviour.
- Transparency of taxes and subsidies relating to specific customer categories to provide a clear substantiation for specific cross-subsidisation strategies.
- Identification and utilisation of market opportunities to migrate towards more cost reflective tariffs to improve profitability through revenue increases and/or cost reduction.
- Development of pricing policies to inform how tariffs should differ from costs.
- The unbundling of administrative, energy and network costs.
- Determination of norms for policy makers to tailor specific strategies for cross-subsidisation between customer categories.
- Provide a basis for fair and equitable pricing.

The comprehensive analysis of the cost to serve in the supply area of the RNLN yielded a substantiated view on how tariffs will need to be adjusted to result in full cost-reflectivity for the electricity distribution service. An average tariff increase of 13,05% was requested for 2025/2026 with the understanding that a portion of the excess cross-subsidisation of the domestic, TOU and own use customer categories could be corrected. It is viewed as the first step towards normalisation of the substantial deviations that have developed due to historic increases not matching or approaching the costs to serve the individual customer categories. Although the view on the

average revenue increase does not sound exorbitant, it may well be the case for specific customer categories, and it is indeed found to be so in this COS analysis.

It is notable that the revenue required by RNLM to cover all costs of electricity provision to all customer categories is expected to amount to R209,7 million for the 2025/26 financial year. An opportunity now exists for substantial increases to be charged in future financial years (2026/27 and beyond). Armed with a corrected cost-to-serve analysis tool RNLM is now in the position to argue the case with NERSA to have them allow higher tariff increases so that the actual cost to serve can be met in later years, 2026/27, 2027/28 or 2028/29.

To circumvent issues with affordability (especially in the domestic customer sector) it is recommended that changes to the tariffs be implemented in such a way that the overall strategic outcomes can be achieved over several years, instead of all in 2025/2026.

RNLM has introduced a prepaid domestic tariff category to replace a significant portion of the conventional domestic consumption of energy. The guiding principle for a prepaid tariff design therefore requires a block tariff structure that would be fair to both consumers and RNLM, and which would be comparable with that currently in place at other municipalities.

The proposed block tariff set was based on a design that would allow the elimination of a monthly basic charge, while enabling a minimal recovery of service and infrastructure expenses at low consumption rates. The tariff block structure would result in a break-even expense for consumption at 550 kWh per month, i.e., conventional, and prepaid customers would pay the same amount when consuming 550 kWh per month. Prepaid customers that consume more than 550 kWh per month would be charged a small premium to the conventional charge to cover fixed expenses. The choice of 550 kWh as break-even point was derived from the average domestic consumption estimated at ± 535 kWh per customer per month.

The Cost of Supply study for Ray Nkonyeni Municipality was successfully completed, providing the municipality with a structured, cost-reflective tariff model and the tools to manage its electricity distribution efficiently. The study's output is expected to strengthen the financial sustainability of the electricity distribution network, reduce cross-subsidies, and improve the municipality's service delivery. The project outcomes

will significantly contribute to the municipality's ability to manage electricity supply costs and implement fair tariff structures, ensuring sustainable and equitable service delivery.

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

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

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

Municipal Systems Act 32 of 2003 states that a municipality must ensure that all communities have access to at least minimal basic services, i.e., receive free basic electricity subsidised to a maximum of 50 kWh per month. The municipality provides free basic electricity to an average of 26 post-paid free basic electricity (FBE) beneficiaries within the municipality's supply areas. As per funding agreement, Eskom co-ordinates and administers the prepaid free basic electricity (FBE) benefit packages to average of 3546 indigent households within Eskom supply areas. Of the registered FBE beneficiaries within Ray Nkonyeni Municipality, only an average of 1585 beneficiaries purchased prepaid electricity tokens during 2024/2025 as per beneficiaries list.

The sole intention of FBAE policy is to assist in the provision of energy. The Free Basic Alternative Electricity objective is to provide indigent households in non-electrified areas by providing them with free basic alternative energy in the form of bio-ethanol gel and oils to help them meet some of their basic needs such as cooking and lighting. The intervention is aimed at alleviating some of the difficulties associated with access to energy in these households whilst the Municipality works hand in hand with Eskom towards ensuring that all communities have access to electricity through the INEP electrification programme. During 2024/25, FBAE was provided to 2932 households

in 27 Wards – in the form of bio-ethanol gel for stoves and oil for lamps used for households' cooking and lighting purposes.

DBSA-Loan Funded Projects – Electricity Meter Replacements Project

During the 2024/2025 financial year electricity meter replacement project was implemented. The scope of work included the supply, installation and commissioning of single-phase, three-phase, maximum demand smart meters in compliance with IEC and SANS standards. Supply and installation of current transformers (CTs), test blocks, modems, antennas, voltage transformers, cabling, circuit breakers. Programming of smart meters and integration of communications modules within time of use meters. Additional scope, relocation of inaccessible meters from inside premises and installation in new meter enclosures and protective structures. A total of 294 electricity meter installations were completed during 2024/2025, with the balance of 243 single-phase and three-phase meters due to be installed in 2025/2026.

DBSA-Funded Projects Preparation Facility for feasibility studies on designs of new substation, power factor correction, network control centre and distribution equipment upgrades

Project 1. Planning and Design for a New 132/11 kV 2 x 40 MVA substation for Ray Nkonyeni Local Municipality:

During 2024/25, site assessments, substation options analysis, and preliminary design were completed for the establishment of a new 132/11kV 2 x 40 MVA substation within Ray Nkonyeni Municipal distribution area, which would also include the design of a 132 kV overhead line as an incomer(s) to the new substation, as well as new medium-voltage reticulation network infrastructure. The scope of work for the substation comprises of:

- One (1) 132 kV incoming line bay from Oribi,
- One (1) 132 kV incoming line bay from Port Shepstone,
- Two (2) 40MVA 132/11 kV power transformers bays,
- MV network reticulation - MV system integration,
- 132 kV tubular busbar with 132kV bus section,
- Control building,

- 5m High Security perimeter fence, and
- Build a new loop-in and loop-out double circuit line from the existing 132 kV line owned by Eskom Distribution. The lines will be approximately 1.5m with 4 support structures.
- Build new switching stations and underground cable infrastructure.

Project 2. Power factor correction (PFC) equipment for Memorial substation

During 2024/25 financial year site assessments and options analysis of PFC equipment and preliminary harmonic studies were completed. The expected project outcomes is to reduce inductive reactive power and harmonic level; and reduce costs associated with high inductive reactive power and harmonic level.

The overall scope of work of the power factor correction equipment project:

- Conduct a power factor and harmonic study which will include network modelling;
- Site measurements to verify system performance and design of the power factor equipment at 11kV Memorial Switching Station;
- To eliminate the Eskom's penalties due to exceeding the actual maximum demand over the Notified Maximum demand (NMD);
- Procure and install the equipment required to correct the power factor to be optimal at 0,96 from 0,88; and

Project 3. Medium-voltage (MV) distribution network infrastructure upgrade

Audits of electricity network infrastructure and equipment have been completed and compiled the concept report for the feasibility study on Ray Nkonyeni Municipal equipment upgrade path. The electrical network infrastructure and equipment included:

- 2 x 11kV Memorial and Reynolds Switching stations,
- 138 x 11/0.4kV Miniature Substations (mini subs),
- 40 x 11kV Ring Main Units, and
- 10 x 11kV Inter-switches,

Project 4. Planning and design of new centralized network control centre (CNCC)

Site assessments and options analysis for CNCC have been completed and report was submitted to the DBSA-RNM Project Steering Committee for approval. Ray Nkonyeni Municipality plans to have all switching substations and distribution substations remotely monitored via a Centralized Network Control Centre (CNCC). These stations include the following stations:

- Reynolds 11 kV switching station,
- Memorial 11 kV switching station,
- New proposed 11 kV switching station 1,
- New proposed 11 kV switching station 2, and
- New proposed Ray Nkonyeni Municipal 132/11 kV distribution substation.

Some of the stations from Eskom side include:

- Port Shepstone 132/11 kV Substation, and
- Oribi 132/88/11 kV Substation.

High-level scopes of work for the centralized network control centre includes:

- The preferred location of the new NCC is to be within distance to the Memorial switching station, at the Port Shepstone Depot 2 municipal offices,
- Set up new centralized control centre completely,
- Memorial substation automation system,
- Reynolds substation automation system,
- GPRS connections to mini-substations and ring main units (RMUs),
- Laying of fibre-optic cable network,
- The telecommunication network that will be adopted by the RNLM using the combination of both Fibre and GPRS communication technologies, and
- A comprehensive SCADA architecture is expected to be installed within the centralized control centre,
- High-level cost estimate for the centralized network control centre is R46,6 million inclusive of 15% VAT.

HR Stats for Employees: Electricity Services (including Mechanical Engineering):

Employees: Electricity Services (including Mechanical Engineering)					
TASK GRADE	2023/2024	2024/2025			
	Employees No.	Posts No.	Employees No.	Vacancies (Fulltime equivalents) No.	Vacancies (as a % of total posts) %
TG. 14 - 16	1	2	1	1	50%
TG. 9 - 13	14	18	14	4	22%
TG. 4 - 8	27	28	27	1	4%
TG. 3	2	2	2	0	0%
Total	44	50	44	6	12%

Financial Performance 2024-25 for Electricity Services:

Financial Performance 2024-25: Electricity Services				
				R'000
Details	2024-25			
	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	208,846	209,266	196,386	-6%
Expenditure:				
Employees	12,695	14,799	15,110	16%
Repairs and Maintenance	8,076	7,881	13,570	40%
Other	165,171	164,129	193,682	15%
Total Operational Expenditure	203,904	192,409	222,362	8%
Net Operational Expenditure	4,941	16,857	(25,976)	119%
Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.				T 3.3.7

Capital Expenditure 2024-25 for Electricity Services:

Capital Expenditure 2024-25: Electricity Services					
R' 000					
Capital Projects	2024-25				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
11kV INTERCONNECTOR - MARBURG TO P.S. SUB	2,500	2,500	0	2,500	0
Electricity meter replacement	5,000	5,000	5,000	0	5,000
MEMORIAL & REYNOLDS SW/STA REFURB & REPLACE SWITCHGEAR	1,500	1,500	0	1,500	0
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).</i>					T 3.3.8

3.2 Waste Management & Cleansing

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

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

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

of once per week collection for residential households and Commercial properties based on service level agreements.

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

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

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

Status of waste collection services

During 2024-2025 waste collection covered mostly the primary urban nodes with limited coverage in rural wards being serviced. The municipality removes waste from Hibberdene freeway off ramp to Port Edward and Ezinqoleni CBD. Waste services coverage was 34.6% of households receiving weekly waste collection. The majority (60.1%) utilised their own refuse dump and 5% of household waste were removed less frequently than once a week. The combined level of service comprises both awareness campaigns, supervision and provision of refuse bags with recyclable waste

collected. Upliftment frequencies ranges from weekly to quarterly. Whereas businesses were serviced at a minimum of 3 times a week. It is worth noting that over the previous financial year the municipality has experienced many challenges in waste collection. The aging fleet and recurring breakdowns have posed a challenge in depots effectively running operations smoothly. This has resulted in some businesses not receiving collection as per scheduled days. Waste awareness campaigns with clean-up initiatives both in urban and rural communities made a tremendous contribution in waste management in general.

Street Cleaning and Servicing of Street Bins

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

Garden Waste

The accumulated plant matter from gardening activities which involve cutting or removing vegetation, i.e. cutting the lawn, weed removal, hedge trimming or pruning consisting of lawn clippings, leaf matter, wood and soil are collected through different transfer stations. Those stations include newly established, Hibberdene, New Bolton, South Broom and Leisure Bay. Operation times are seven days a week from 07:30-16:00. Hibberdene transfer station is officially opened and fully operational. Moreover, the municipality provides verge maintenance services to the entire municipal areas including tribal authorities. It also maintains public facilities such as crèches, sports fields, and halls, including those in rural areas. The garden waste is ultimately disposed of at Oatlands. The waste characterisation study found that there is an increase from 257 tons/month of garden waste to as much as 2800 tons/month that arrives at the landfill site; and as such, the municipality has since encouraged users to alternatively drop off their waste at a local privately owned garden waste recycling facility through PPP approach established relations.

Waste disposal

All refuse waste is disposed of at the Oatlands landfill site. This is a licensed Class B (G.M.B+) sanitary landfill. The site receives ~158.736t/day. When fully developed the site has a potential to remain operational until year 2035 with projections of the incoming waste. It must be noted that it can take up to 10 years to identify and license a site and it is therefore prudent that the Municipality initiates a process of identifying a new site as a matter of urgency. At this stage, the original first 3 cells are full. According to the engineering designs of site, the airspace provided by Cell 4C-phase 1 is 15 months, and it is projected that Cell 4C-phase 2 will create another 30 months. According to the designs, the site should no longer be having any airspace however, recycling of waste from source and reclamation of waste on site has assisted in reducing waste that needs to be landfilled. There is a dire need for construction of Cell 4C Phase-2 whilst efficient operations are carried out.

Waste Recycling

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

Aspect	Mass tons	Ref	Source
Tonnage over weigh bridge	54 831.17 (from July 2024-June 2025)	A	Weighbridge data
Tonnage reclaimed	2008.86 tons (July 2024-June 2025)	B	Oatlands Landfill site (including scrap metal), Ravine Lane Recycling Facility, LSC Recycling, Redeemed Coastal Recycling
Total waste	54 831.17	a	
Total recycled	2008.86	b	
% diverted	3.7%	e/d %	

Table 1: Landfill diversion achieved by role players in the Ray Nkonyeni Municipality

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

According to the IWMP it is estimated that the municipality is diverting ~25% of waste handled by the Cleansing Department through the implementation of waste minimization programs and projects and this includes waste recycled by private facilities. Based on figures from the waste characterisation study there is ~87% of the recyclable fraction still being disposed of. Furthermore, the study indicates that greens and builder's rubble can be diverted from the waste stream realising further diversion from landfill – a cumulative 7% of total landfill. Discounting the builder's rubble and assuming a 30% recovery of recyclable fraction and 50% recovery of organic fraction from the waste going to landfill, a further 3.2% can be diverted on an annual basis. Although Ravine Lane is not fully operational, however, it has seen a growth in tonnages over the last financial year. The municipality has also partnered with various private recyclers such as Redeemed coastal recycling, LSC recycling and Sizazonke recycling to ensure that recycling takes place in many areas that the municipality is not able to reach.

Recoverable recyclable volumes are known in the mainstream areas but not in those un-serviced areas. The recovery rate is not known and thus the goal of this is to firm up on the recyclable fraction. Recycling programme was as well extended to Schools

through School Environmental Waste Education Programme (SEWEP) which is an ongoing advocacy programme with Schools, recyclable waste material by the Municipality. Over 65% of schools were participating in the program. This is a realisation and achievement of one of the goals in the National Waste Management Strategy 2011 which is the development of SMMEs through waste minimisation.

Waste Information System

The Ray Nkonyeni Municipality does report on the Waste Information System (WIS) on a quarterly basis as stipulated in the legislation. Adjusting the volumes indicated on the table above are reflective of the Oatlands weighbridge data and recyclable waste from Ravine Lane, and privately operated recycling facilities which include LSC Recycling, Redeemed Coastal Recycling. The waste types are listed only as general municipal waste that includes business waste and also recyclables tonnages.

Education and awareness

The municipality adopts a wide perspective system on waste education and awareness, recognizing that education and awareness take place in a range of formal, non-formal, informal social learning and technology enhanced learning environments. It also recognizes that many new forms of knowledge and learning can be made available through technology enhanceCelld learning and outreach community awareness, and the concept of integrated waste management practices. The goal is to expand this to see effective involvement and buy in from the community resulting in reduced littering and more efficient waste collection and to establish a culture of compliance with regards to waste management. Currently there are public awareness campaigns promoting good waste management practices through- Media, Private sector (business), Community Based Organisations, Faith Based Organisations, Non-Governmental Organisations, schools and others. Internal training; 2. IWMP Road Shows; 3. Waste Management Awareness Campaigns; 4. Clean up programmes (litter and beach clean-ups); 5. School Environmental Waste Education Programme and Competitions; 6. Greenest Municipality Competition; 7. Adopt-a-spot programmes (currently with Informal Traders to expand to Businesses located in CBDs); 8; Two-Bag Recycling Project; and 9. Drop-off facilities.

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

Compliance and enforcement

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

HR Stats for Community Services (Inc EPWP, Waste Management & Cleansing services)

Employees: Community Services (Inc EPWP, Waste Management & Cleansing services)					
TASK GRADE	2023/2024	2024/2025			
	Employees No.	Posts No.	Employees No.	Vacancies (Fulltime equivalents) No.	Vacancies (as a % of total posts) %
TG. 14 - 16	2	2	2	0	0%
TG. 9 - 13	7	9	7	2	22%
TG. 4 - 8	98	165	98	67	41%
TG. 3	198	269	183	86	32%
Total	305	445	290	155	35%

Financial Performance 2024-25 for Waste Management & Cleansing Services:

Financial Performance 2024-25: Waste Management & Cleansing Services R'000				
Details	2024-25			
	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	81 644	82 272	75 796	-8%
Expenditure:				
Employees	100 970	111 303	113 386	11%
Repairs and Maintenance	7 050	6 200	5 932	-19%
Other	71 838	76 495	75 489	5%
Total Operational Expenditure	179 858	193 998	194 807	8%
Net Operational Expenditure	(98 214)	(111 726)	(119 011)	17%
<i>Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.</i>				T 3.4.7

Capital Expenditure 2024-25 for Waste Management & Cleansing Services:

Capital Expenditure 2024-25: Waste Management & Cleansing Services					
R' 000					
Capital Projects	2024-25				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Street Cleansing Computer assets	300	300	133	-126%	
Street Cleaning Maintenance Furniture and Equipment	100	–	–		
Verge Maintenance Equipment	000 1	700	763	-31%	7633 78
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).</i>					
					<i>T</i> 3.4.9

3.3 Cemeteries and Crematoriums

The Department have a mandate to provide additional burial space which was achieved through expansion of Oslo Beach Cemetery. It should be noted that Izotsha memorial park which is leased out carried the bulk of the burials within the Municipality. An unaccounted percentage is covered under home burials for all the rural areas. There are only two cemeteries (Izotsha memorial and Oslo Beach Cemeteries) that are not fully functional and with limited burial spaces which may be depleted in a short-term period. Port Shepstone is full and closed, Albersville, Margate, Nositha and Uvongo are full and only conducting reburials. There are two crematoria which are both leased to private contractors and only one is operational. The Izotsha memorial crematoria is still not operating, and Oslo Beach crematoria is only operating crematoria within the municipality.

Financial Performance 2024-2025 for Cost to Municipality of free Basic Services Delivered

Financial Performance 2024-25: Cost to Municipality of Free Basic Services Delivered				
Services Delivered	2024-25			
	Budget	Adjustment Budget	Actual	Variance to Budget
Electricity: Indigent Relief	6 121	6 121	5 885	-4%
Residential Properties Early Settlement 7% Of Mv	1 676	1 725	—	
Property Rates Indigent Support	208	222	29 275	99%
Total	8 006	8 068	35 160	77%
T 3.6.4				

HR Stas for Cemeteries & Crematoriums:

Employees: Cemeteries & Crematoriums (inc. Education & Waste Minimisation)					
TASK GRADE	2023/2024	2024/2025			
	Employees No.	Posts No.	Employees No.	Vacancies (Fulltime equivalents) No.	Vacancies (as a % of total posts) %
TG. 14 - 16	1	1	1	0	0%
TG. 9 - 13	3	3	3	0	0%
TG. 4 - 8	6	8	6	2	25%
TG. 3	12	23	11	12	52%
Total	22	35	21	14	40%

3.4 Human Settlements

1. INTRODUCTION

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

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

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

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

- Thus by 2030, measurable progress must be made towards breaking apartheid spatial patterns.

- That the majority of South Africans shall have access to adequate housing, affordable services in better living environment.
- Equitable and functional residential property market.

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

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

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

2. ESTIMATED HOUSING NEED / BACKLOG

Following the implementation of the National Housing Needs Register approximately 47 501 occupants have expressed their need for housing assistance within the Municipality either in terms of the Subsidies Housing Programme, Social Rental Housing or the Finance Linked Individual Subsidy Programme. The registration process is expected to be completed by June 2024.

3. INSTITUTIONAL ARRANGEMENTS

3.3 Municipal Housing Accreditation

Regarding the National Accreditation Framework (2012), the Municipality is accredited in terms of level 1 housing function (subsidy budget planning and allocation) with a

three-year Implementation Protocol Agreement which was concluded for the financial year 2020-2023. A new Implementation Protocol Agreement has been concluded for the 2023-2026 financial year. The National Accreditation Framework (2017) has been revised by proposing a shift to a programmatic approach towards accreditation that responds to the redesign and complexity of National Housing Programmes. The Municipality is aspiring to be considered for Level 2 Housing Accreditation Status, taking on the full role of construction management and quality assurance.

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

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

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

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

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

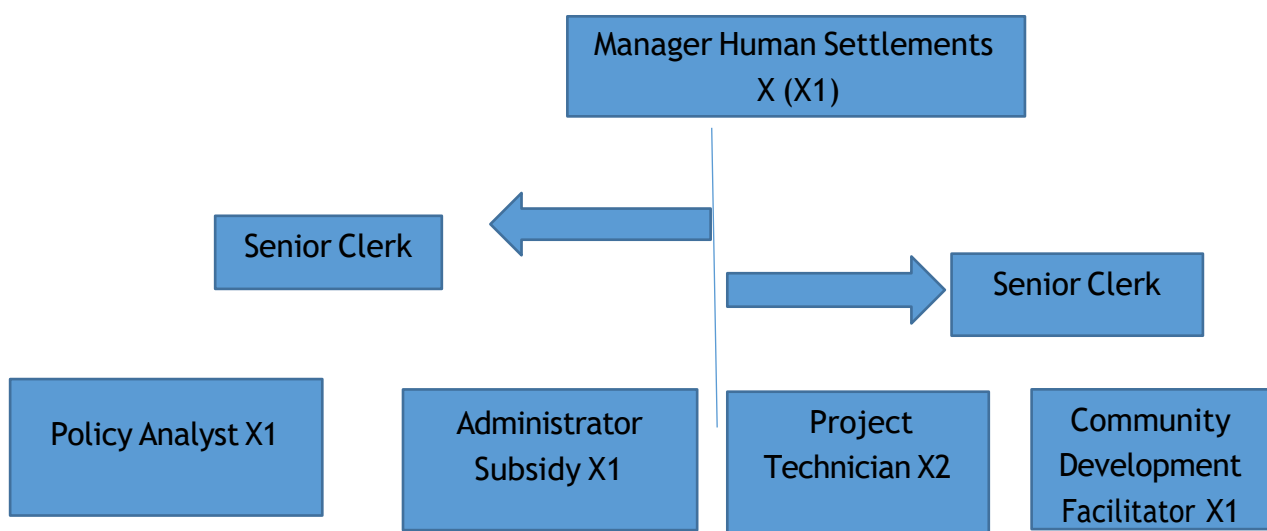
Arising from policy directives from the Provincial Department due to fiscal challenges all housing projects approved for implementation will be phased.

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

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

3.2 Human Settlement Organogram

The Human Settlement Unit falls under the Technical Services Department. The Unit is headed by a manager and seven (7) staff. The unit basically ensures that all human settlement projects within the Municipality are undertaken to meet the legislation requirement which stipulates that all people have a right to shelter. Below is the organogram of the Unit.



4. POLICY AND PLANNING

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

4.1. MUNICIPAL HOUSING ALLOCATION POLICY FOR THE INTEGRATED RESIDENTIAL HOUSING PROGRAMME

The Municipality has an approved Housing Allocation Policy following the Integrated Residential Housing Programme. Its objective is to facilitate a fair, equitable, transparent, and inclusive selection of applicants leading to approval for all housing development projects aimed at creating sustainable human settlements. This is achieved through determining housing needs with accurate data for planning /budgetary purposes and meeting such needs (*housing needs register*), prioritize beneficiaries with special needs (quota allocation), housing for Military Veterans and a uniform and consistent approach when allocation housing opportunities that promotes good governance (housing allocation committee). This Policy will also be subjected for review in the 2026/2027 financial year.

4.2 MUNICIPAL SOCIAL HOUSING POLICY

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

4.3 HUMAN SETTLEMENT SECTOR PLAN

The Municipal Human Settlement Sector Plan is a 13-year plan (2017-2030). The Human settlement Plan is reviewed / updated annually, which is aligned to the Provincial Human Settlement Spatial Master Plan. It reflects on the policy framework, the democratic profile, and the spatial and environmental context, institutional assessments, housing needs and supply, human settlement development strategy and implementation. The last review and update of the Human Settlement Plan was undertaken in the 2022-2023 financial year. The HSSP is undergoing a full review and update in compliance with the new Municipal Accreditation Framework (2023) which is expected to be completed in 2026,

4.4 ESTABLISHING PRIORITY HOUSING DEVELOPMENT AREAS

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

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

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

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

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

d) Shelly Beach..... (Ward 3)



UGU District Locality



Ray Nkonyeni Local Locality



Ward Plan of the Four (4) PSHDA Areas

The approved areas are as follows:

a) Greater Port Shepstone N2/R102 Corridor PHDA

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



SITES / LAND PARCELS IDENTIFIED

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



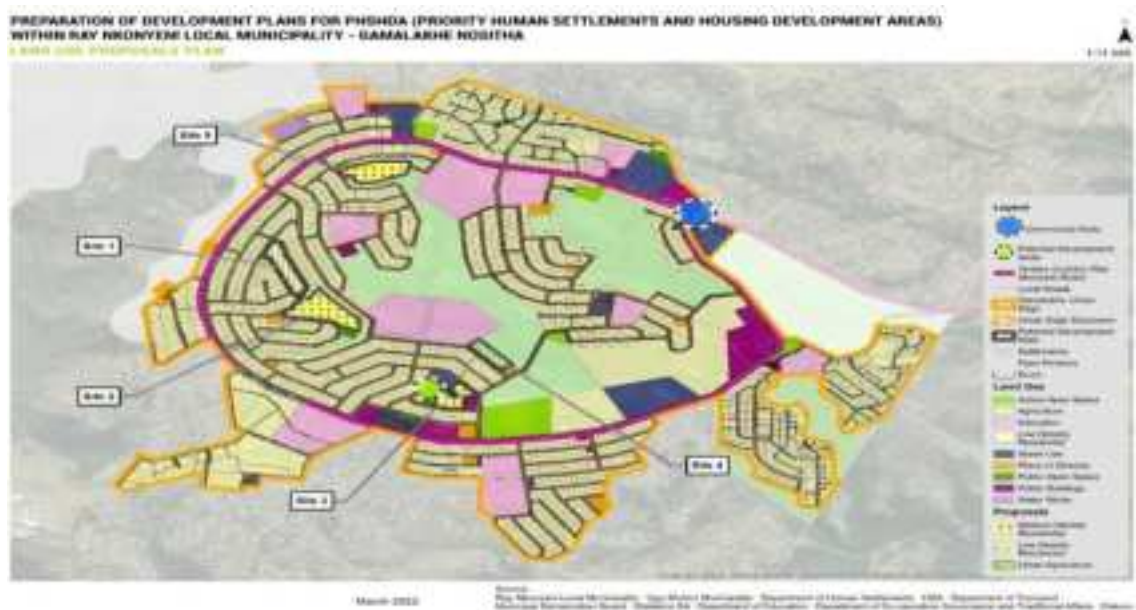
b) Cluster 4: Gamalakhe Nositha

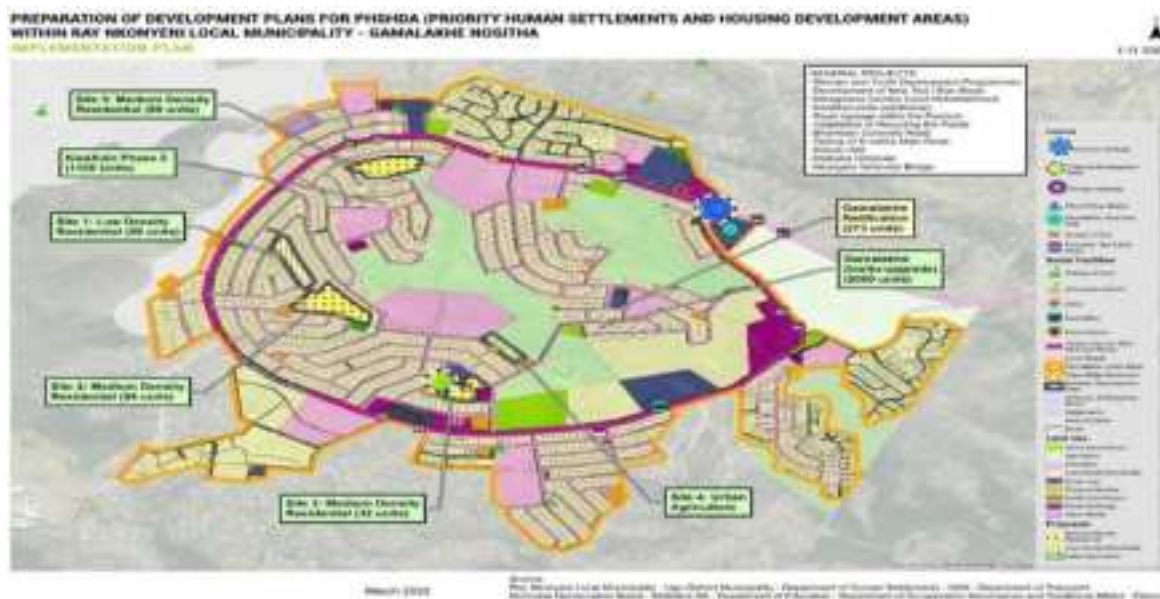
This area which starts at P200/Ray Nkonyeni road intersection towards Gamalakhe township. In Ward 26 to include Thembalihle, Mpovuzza area towards Masimula area. In Ward 25 to include Masimula area. Wards 5, 27 and 28 areas included up till intersection of Oatlands and Nositha Road coming east towards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



SITES / LAND PARCELS IDENTIFIED

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





c) Uvongo-Margate PHDA

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



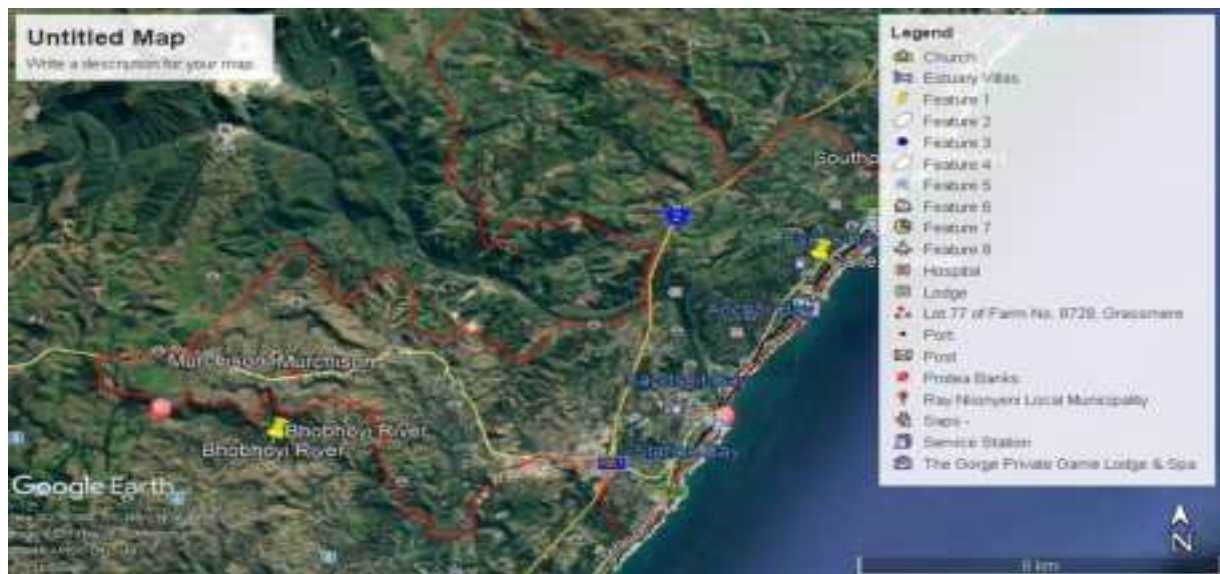
SITES / LAND PARCELS IDENTIFIED

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



d) Shelly Beach PHDA

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



SITES / LAND PARCELS IDENTIFIED

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





CLIMATE CHANGE – CONSEQUENCES FOR HUMAN SETTLEMENTS

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

Some key impacts on human settlements

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

Climate Phenomenon	Change	Consequences for Human Settlements
Sea level rise and storm surges		Decrease in freshwater availability due to salt – water intrusion. Loss of property and livelihood, and challenges with risk cover to property.

Impact on Urban Settlements

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

Impact on Rural Settlements

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

Impact on Coastal Settlements

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

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

Impact on Human Migration and Conflict

Large flows of people both from rural areas to urban, and between urban (or peri-urban) areas. Climate-related food insecurity, service incapacity, extreme weather events and water security could lead to increased migration. Migration is likely to be experienced from both other Municipal areas and Provinces. Climate change will accentuate the existing trend towards urbanization due to the negative impacts of climate change on rural livelihoods. Increased costs of water, liquid fuels and electricity as industry inputs therefore spatial planning, design and funding for Human Settlement Programmes & Projects should be guided by environmental constraints created by climate change.

4.6 MUNICIPAL SOCIAL HOUSING PROGRAMME

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

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

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

RESTRUCTURING ZONES (AREA BASE)

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

RENTAL HOUSING NEED / DEMAND

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

DEVELOPABLE LAND AND UNUSED BUILDINGS

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

MUNICIPAL REBATES OR OTHER FORM OF INCENTIVIES

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

LAND DISPOSAL TO SOCIAL HOUSING INSTITUTIONS OR HOUSING DELIVERY AGENTS

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

FREEHOLD

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

LEASE HOLD

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

PROVISION OF BULK INFRASTRUCTURE SERVICES FOR SOCIAL HOUSING DEVELOPMENT

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

ESTABLISHMENT OF A DATA BASE FOR SOCIAL HOUSING INSTITUTIONS

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

APPOINTMENTS OF SOCIAL HOUSING INSTITUTIONS OR HOUSING DELIVERY AGENTS.

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

SOCIAL HOUSING: RESTRUCTURING ZONES

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

Marburg: uMbango, Marburg, Merlewood, portion of Shepstone, portion of Margate and non- urban areas.

Protea Park: Albersville, Umtentweni, Port Shepstone CDB, and Sea Park.

uVongo: Portion of Port Shepstone, Oslo Beach, Shelly Beach and uVongo.



Municipal Restructuring Zones (Marburg)



- Municipal Restructuring Zones (Protea Park)



- Municipal Restructuring Zones (Uvongo)

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

PROPERTY DESCRIPTION	EXTENT	CURRENT ZONING	INTENDED REZONING	POTENTIAL YIELD
Lot 26 of 4939, Marburg	24.264 ha	Residential only 5	Residential High Impact 3	1213 units

Lot 29 of 4941, Marburg	11,234 ha	Residential only 5	Residential High Impact 3	936 units
Erf 1675. Uvongo	1.4925 ha	Residential only 5	Residential High Impact 3	124 units
Total				2273 housing opportunities



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



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



Social Rental Housing: (Uvongo 1675)

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

PROTEA PARK (WHITE CITY) – RESTRUCTURING ZONE		
AREA	PROPERTY DESCRIPTION	POTENTIAL YIELD
ERF 2686	Marburg (Area 1)	150 units
Erven 2560-2564	Area 2A	15 units
Erven 2565-2625	Area 2B	166 units
Erven Remainder of 2377, 2439 and PTs 0-6 of 2440	Area 3A	257 units
Erven 2514 -2537, Marburg (Merlewood)	Area 4	120 units
Erven 2542 – 2549, Marburg (Merlewood)	Area 5	55 units



Social Rental Housing and FLIP Housing – Identified areas /sites

4.7 MUNICIPAL INFORMAL SETTLEMENT UPGRADING / RELOCATION PROGRAMME

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

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

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

* Actual number of structures based on fieldwork.



MAP- location of informal settlements within RNM

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

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

NUSP Informal Settlement Categories and summary of infrastructure response

CATEGORY	EXPLANATION
A	Full upgrade in terms of services, top structures and tenure is appropriate, affordable, and viable, i.e. where full upgrading can take place in the short term. Typically, no interim service provision since full upgrading is imminent.
B1	These settlements are those which are viable for full upgrading in the longer term, but where it is not imminent. Interim basic services provided as a precursor to an eventual full upgrade.

CATEGORY	EXPLANATION
B2	This refers to settlements where long-term upgrading is not appropriate or viable, but relocation is not urgent. Interim basic services should ideally be provided until relocation can take place.
C	Informal settlements which have to be relocated as a matter of urgency because they face significant risks (health, environmental or any associated harmful situations) in their current location. No interim service provision.

Synthesis of Informal Settlement Categorisation and Associated Response

SETTLEMENT NAME	CATEGORY	RESPONSE
Louisiana	B2	• Site is too steep for in situ upgrade but no imminent safety threat necessitating relocation. • Provision of interim basic services with eventual relocation to suitable site. • Interim basic services upgrading plan and relocation strategy formulated.
Masinenge	B1 and C	• Some sections of the site are prone to flooding and would have to be relocated. • Approved layout plan for a portion of the site is already in place and construction of multi-storey units has already commenced. • Provision of interim basic services in developable areas as a precursor to eventual full upgrade. • Land for relocation of overflow households and those situated in flood

SETTLEMENT NAME	CATEGORY	RESPONSE
		prone areas is yet to be identified. A relocation strategy has been developed.
Mkholombe	B1 and C	• Large sections of the site are too steep for in situ upgrade or prone to flooding. • Approved layout plan for a portion of the site is already in place. • Provision of interim basic services in developable areas as a precursor to eventual full upgrade. • Land for relocation of overflow households and those situated in flood prone areas is yet to be identified. A relocation strategy has been developed.
Paddock	B2	• Site is isolated from urban fabric. • Provision of interim basic services with eventual relocation to suitable site. • Interim basic services upgrading plan formulated. • Land for relocation is yet to be identified. A relocation strategy has been developed.

Schematic Infrastructure Layouts

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

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

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

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

Enabling Factors for Upgrading and Development

Land Acquisition

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

Infrastructure Requirements

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

Enabling Factors for Development – Water

WATER		
Current Situation		
The rivers within the region have sufficient surplus flow to cater for the water demands for the foreseeable future. Bulk water supply and reticulation infrastructure are under pressure due to growing demand. Pipe systems are old and in need of maintenance and upgrading		
Bulk Infrastructure Requirements		
- It is envisaged that bulk water supply and reticulation infrastructure will need to be upgraded to cater for the demand. Old pipe systems and increasing capacity of water treatment plants will require strengthening to meet future water demand. - It is proposed that the following systems within RNM need strengthening: - Umzimkhulu water augmentation project; - Mtwalume bulk water project; - South Coast Bulk pipeline; - Umtamvuna bulk water project; - Port Edward and Ezinqoleni; and - Rural Water Supply		
Reticulation Options		
<i>Short-term</i>	<i>Medium-Term</i>	<i>Long-Term</i>
Shared standpipes	- Sites and services (with slower take-up) - Sites and services with valve restrictors	Sites and services with conventional erf connections

Enabling Factors for Development – Sewer

SEWER		
Current Situation		
There are several pump stations in the reticulated areas, whilst wastewater treatment plants are generally located in-land, off the coastal strip. Waterborne sanitation is largely confined to the coastal, densely populated areas of the Municipality. Inland and rural areas rely on rudimentary forms of sanitation such as Ventilated Improved Pits (VIPs)		
Bulk Infrastructure Requirements		
It is envisaged that sewer infrastructure in the urban part of the Municipality will have to be upgraded to cater for an increasing urban population. Bulk network to be extended further inland where required and in line with the Municipality's desired future spatial form to serve the growing population		
Reticulation Options		
<i>Short-term</i>	<i>Medium-Term</i>	<i>Long-Term</i>
Alternative sanitation options to be considered (e.g. conservancy tanks and dry sanitation options)	Connect settlements to conventional waterborne networks as sewer outfalls are upgraded	Connect all settlements as sewer outfalls and WWTW are upgraded

PROPOSED UPGRADING PLANS WITH RELOCATION STRATEGIES

Louisiana Informal Settlement



Updated Aerial Image of the Louisiana Informal Settlement



Settlement size: 76,049.69 m² (7.60 ha)



Number of households: 416

Assessment and Categorisation Synthesis

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

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

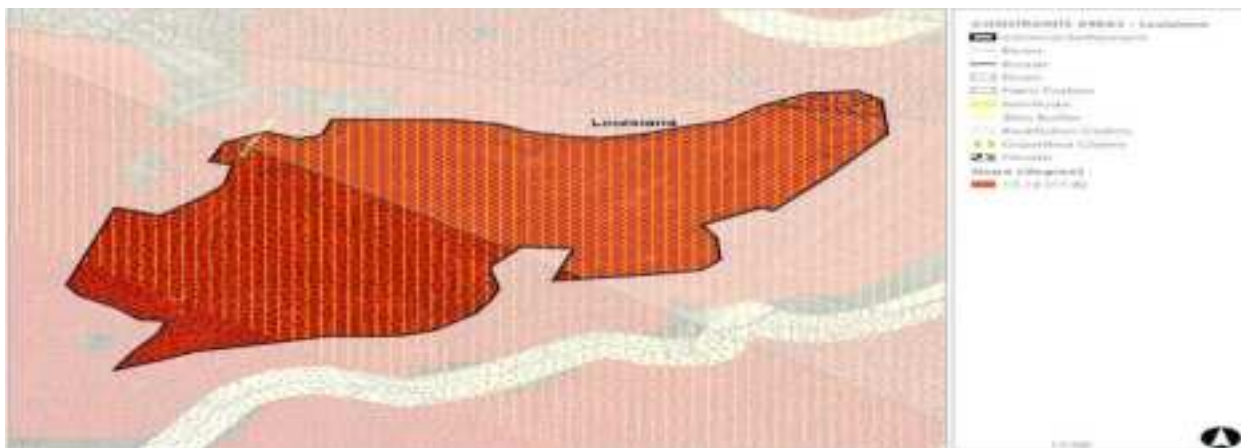
The settlement is located directly adjacent to a serviced area, which will allow for potential service connection. However, due to the steepness of the slope and lack of a formal/informal road network within the settlement boundary, this will likely give rise to increased costs of providing link services,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

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

B2
Interim basic services upgrading plan and relocation strategy to be formulated

Site Constraints and Developable Areas

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



Louisiana Informal Settlement Constrained Areas

The entire settlement is located on a very steep slope which exceeds a gradient of 1:8. While it is primarily due to the topography that the settlement is not viable for in-situ upgrading, a large portion of the settlement is located on privately owned land. Furthermore, a Gazetted land claim covers the entire extent of the settlement, while a restitution claim covers the eastern portion of the settlement. The constraints areas (areas not fit for development) comprise 76,049.69 m², which is 100% of the overall settlement.

Development Need

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

Minimum level of service standards

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

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

Interim Services Construction Cost Estimate

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

Site specific requirements

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

Relocation Strategy

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

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

Generic Relocation Strategy

PHASE	OUTCOMES	ACTIONS	RESPON SIBLE ENTITY
Phase 1: Land availability	Determination of area/extent of land required and appropriate infrastructure level of service to be provided	1. Identify suitable land for human settlement development 2. Conduct technical assessment of identified land (site feasibility) 3. Produce proposed layout plan to determine yield	RNM with support from UGU DM and KZN-DoHS
Phase 2: Community engagement	Participatory planning process and identification of willing and qualifying beneficiaries	1. Identify settlement leadership structures 2. Establish project committee which includes community leadership structure 3. Determine if residents are willing to relocate to identified land 4. Determine number of beneficiaries to be relocated	RNM with support from DHS and KZN-DoHS through NUSP
Phase 3: Relocation preparation/ development	Council approval to acquire/release land and securing of finance	1. Identify suitable finance mechanism(s) 2. Secure funding 3. Commence land acquisition if needed 4. Finalise layout plan in consultation with community. 5. Obtain statutory approvals (environmental and town planning)	KZN-DoHS in collaboration with RNM, UGU DM, Eskom through NUSP

PHASE	OUTCOMES	ACTIONS	RESPON SIBLE ENTITY
		6. Develop contingency plans for residents that cannot be relocated. 7. Develop land in line with approved layout plan (including installation of services; transfer of stands; <i>optional development of top structures</i>)	
Phase 4: Allocation of beneficiaries	Relocation of beneficiaries to new development	1. Allocate stands/ houses to qualifying beneficiaries based on Housing Needs Register 2. Provide relocation assistance (transportation, relocation kits (if applicable), social service support, sustenance) 3. <i>Provide emergency assistance at transit sites to households who cannot be moved to developed land</i>	RNM with support from KZN-DoHS
Phase 5: Risk mitigation	Ensure that invaded land/ settlement is not reoccupied	1. Remove informal structure as soon as household is relocated. 2. Fence off land and install lighting and signage as a deterrent to re-occupation. 3. Activate land as per intended land use where feasible. 4. Commence/ continue land invasion monitoring.	RNM

Masinenge Informal Settlement



Updated Aerial Image of the Masinenge Informal Settlement



Settlement size: 147,559.37 m² (14.76 ha)



Number of households: 1 557

Assessment and Categorisation Synthesis

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

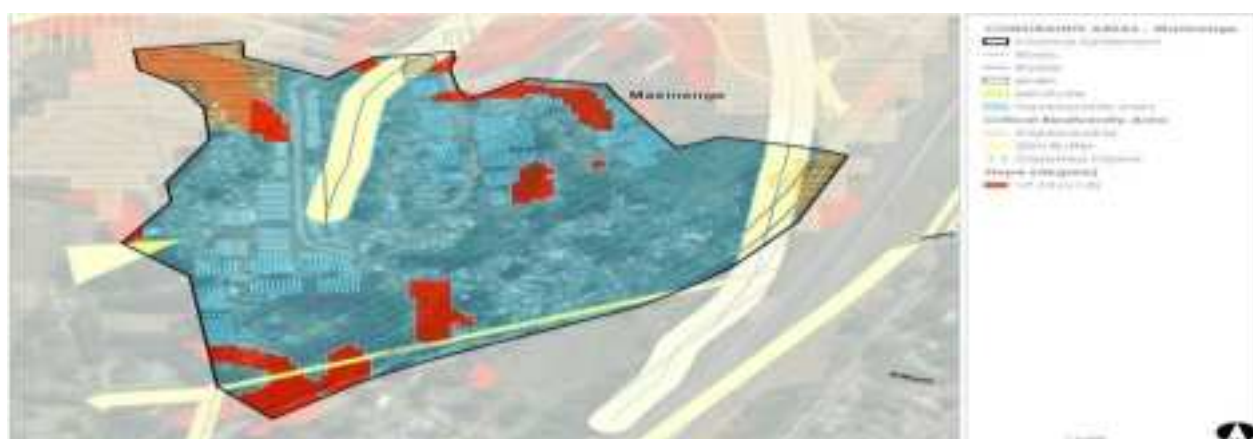
Based on the above, the Masinenge informal settlement has been categorised as B1 and C. The development response entails the provision of interim basic services as a precursor to an eventual full upgrade in developable areas in line with the approved

layout plan, which is already in place, coupled with the urgent relocation of households from flood prone areas. If possible, these households should be accommodated within the upgraded Masinenge township. Alternatively, a suitable relocation site should be identified.

B1and C
In situ upgrade for areas that are developable, in line with approved layout plan.
Relocation strategy to be developed to cater for households in flood prone areas (preferably insitu, else on alternative relocation site).

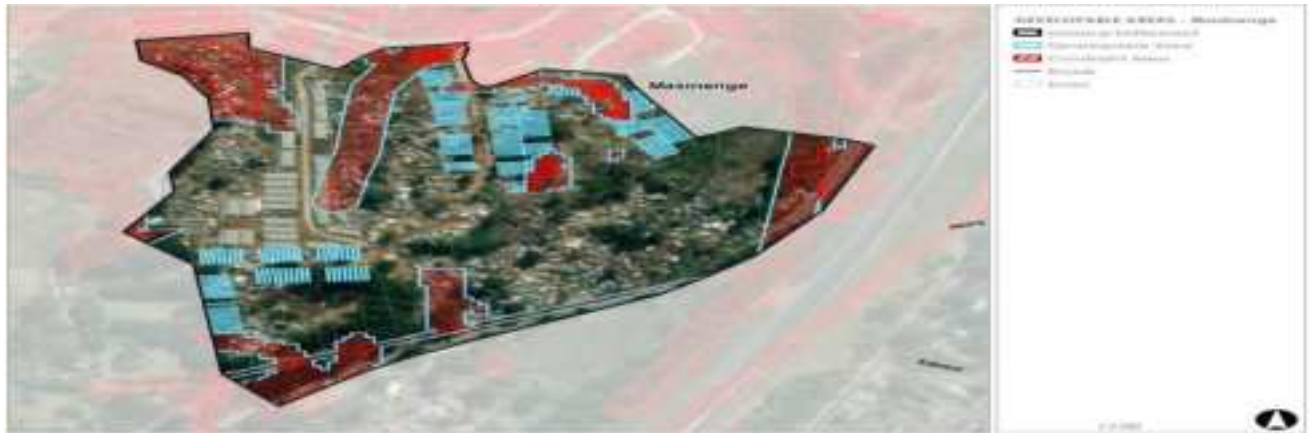
Site Constraints and Developable Areas

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



Masinenge Informal Settlement Constraints Areas

From the map pockets of steep topography where the gradient exceeds 1:8 pose development constraints. Moreover, the occurrence of Critical Biodiversity Areas prevents development in the north-western and north-eastern extents of the settlement. A watercourse runs through a portion of the northern extents of the settlement; the associated 30m buffer areas restrict development. Finally, a servitude encumbers the southern extents of the settlement. The constrained areas (areas not fit for development) comprise 37,717.99 m², which is 26% of the overall settlement. The settlement footprint is 147 559,37m² in extent. The figure below outlines the portions of the settlement which are suitable for development.



Masinenge Informal Settlement Developable Areas



Approved layout plan for Masinenge

Development Need

The approved in-situ upgrading layout plan provides for 882 stands. Construction of multi-storey top structures has commenced. The settlement experiences influx of informal structures in the project area. It is to be noted that not all households can be accommodated, and that relocation of the overflow households to an alternative location would be required. Alternative land is still to be identified.

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

Upgrading Plan Content and Interventions

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

LAND USE	ERVEN	HECTARES	PERCENTAGE
Special Zone Residential (250m²)	118	3.2	11.5
Special Zone Residential (70m²)	764	7	25.1
Limited Commercial	1	0.1	0.4
Administration	1	0.1	0.4
Worship	1	0.2	0.7
Primary School	1	3.0	10.7
Creche	1	0.1	0.4
Public Open Space	7	9.9	35.5
Public Roads	8	4.3	15.4
TOTAL	902	27.9	100

Relocation Strategy

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

Propose - Relocation Strategy

PHASE	OUTCOMES	ACTIONS	RESPONSIBLE ENTITY
Phase 1: Land availability	Determination of area/extent of land required and appropriate infrastructure	1. Identify suitable land for human settlement development 2. Conduct technical assessment of	RNM with support from UGU DM and KZN-DoHS

PHASE	OUTCOMES	ACTIONS	RESPONSIBLE ENTITY
	level of service to be provided.	identified land (site feasibility) 3. Produce proposed layout plan to determine yield	
Phase 2: Community engagement	Participatory planning process and identification of willing and qualifying beneficiaries	1. Identify settlement leadership structures. 2. Establish project committee which includes community leadership structure. 3. Determine if residents are willing to relocate to identified land. 4. Determine number of beneficiaries to be relocated	RNM with support from DHS and KZN-DoHS through NUSP
Phase 3: Relocation preparation/development	Council approval to acquire/release land and securing finance.	1. Identify suitable finance mechanism(s) 2. Secure funding 3. Commence land acquisition if needed. 4. Finalise layout plan in consultation with community. 5. Obtain statutory approvals	KZN-DoHS in collaboration with RNM, UGU DM, Eskom through NUSP

PHASE	OUTCOMES	ACTIONS	RESPONSIBLE ENTITY
		(environmental and town planning) 6. Develop contingency plans for residents that cannot be relocated. 7. Develop land in line with approved layout plan (including installation of services; transfer of stands; <i>optional development of top structures</i>)	
Phase 4: Allocation of beneficiaries	Relocation of beneficiaries to new development	1. Allocate stands/houses to qualifying beneficiaries based on Housing Needs Register 2. Provide relocation assistance (transportation, relocation kits (if applicable), social service support, sustenance) 3. <i>Provide emergency assistance at transit sites to households who cannot be moved to developed land</i>	RNM with support from KZN-DoHS

Assessment and Categorisation Synthesis

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

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

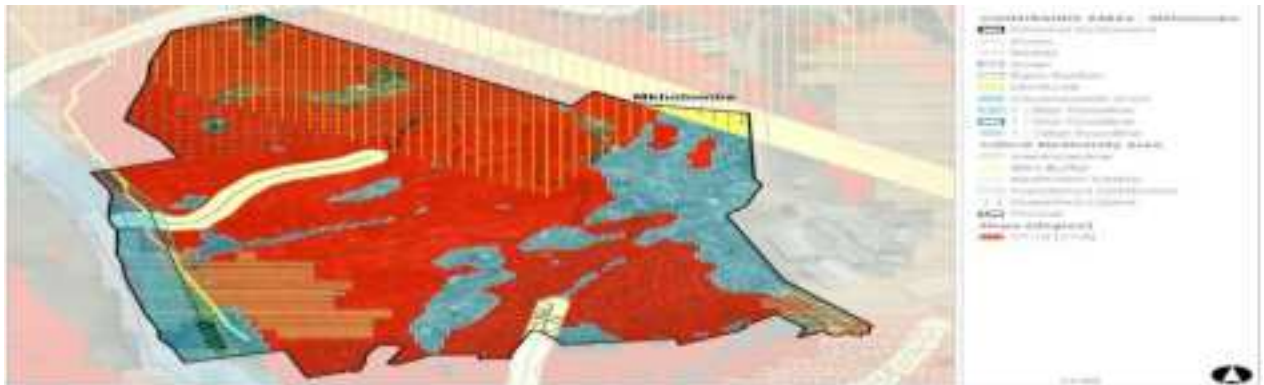
An approved layout plan exists for the Mkholombe informal settlement.

Based on the above, the Mkholombe informal settlement has been categorised as B1 and C. The development response entails the provision of interim basic services as a precursor to an eventual full upgrade in developable areas in line with the approved layout plan which is already in place, and the urgent relocation of households from flood prone areas. Where possible, relocated households should be accommodated within the settlement footprint.

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

Developable Areas and Site Constraints

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



Mkholombe Informal Settlement Constraints Areas

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

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

The constrained areas (areas not fit for development) comprise 285,651.52 m² – 85% of the overall settlement (which is 337,846.70 m² in extent). The map below outlines the portions of the settlement which are suitable for development.



Mkholombe Informal Settlement Developable Areas

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



Approved Layout Plan for Mkholombe

Development Need

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

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

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

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

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

Infrastructure response

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

Upgrading Plan Content and Interventions

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

LAND USE	ERVEN	HECTARES	PERCENTAGE
Residential Only 4 (180m²)	26	0.50	0.7
Residential Only 5 (200m²)	1 028	28.52	37.7
Special Zone 15 (Mixed Residential)	44	1.29	1.7
Education	3	1.29	1.7
Health and Social Services	2	0.14	0.2
Administration	1	0.69	0.9

Multi Use Retail 1	3	0.40	0.5
Special Zone 17 (Industrial/Commercial/Agriculture)	2	15.62	20.7
Public Open Space	34	14.65	19.4
National Road	1	1.92	2.5
Proposed Roads		10.59	14
TOTAL	1 144	75.61	100

Relocation Strategy

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

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

Generic Relocation Strategy

PHASE	OUTCOMES	ACTIONS	RESPONSIBLE ENTITY
Phase 1: Land availability	Determination of area/extent of land required and appropriate infrastructure level of service to be provided.	1. Identify suitable land for human settlement development. 2. Conduct technical assessment of identified land (site feasibility) 3. Produce proposed layout plan to determine yield	RNM with support from UGU DM and KZN-DoHS
Phase 2: Community	Participatory planning process and identification	1. Identify settlement leadership structures.	RNM with support from DHS and KZN-DoHS through NUSP

PHASE	OUTCOMES	ACTIONS	RESPONSIBLE ENTITY
	of willing and qualifying beneficiaries	2. Establish project committee which includes community leadership structure. 3. Determine if residents are willing to relocate to identified land. 4. Determine number of beneficiaries to be relocated	
Phase 3: Relocation preparation/ development	Council approval to acquire/release land and securing finance.	1. Identify suitable finance mechanism(s) 2. Secure funding 3. Commence land acquisition if needed. 4. Finalise layout plan in consultation with community. 5. Obtain statutory approvals (environmental and town planning) 6. Develop contingency plans for residents that cannot be relocated. 7. Develop land in line with approved layout plan (including	KZN-DoHS in collaboration with RNM, UGU DM, Eskom through NUSP

PHASE	OUTCOMES	ACTIONS	RESPONSIBLE ENTITY
		installation of services; transfer of stands; <i>optional development of top structures</i>)	
Phase 4: Allocation of beneficiaries	Relocation of beneficiaries to new development	1. Allocate stands/ houses to qualifying beneficiaries based on Housing Needs Register 2. Provide relocation assistance (transportation, relocation kits (if applicable), social service support, sustenance) 3. <i>Provide emergency assistance at transit sites to households who cannot be moved to developed land</i>	RNM with support from KZN-DoHS

PHASE	OUTCOMES	ACTIONS	RESPONSIBLE ENTITY
Phase 5: Risk mitigation	Ensure that invaded land/ settlement is not reoccupied.	1. Remove informal structure as soon as household is relocated. 2. Fence off land and install lighting and signage as a deterrent to re-occupation. 3. Activate land as per intended land use where feasible. 4. Commence/ continue land invasion monitoring	RNM

Paddock Informal Settlement



Aerial Image of the Paddock Informal Settlement



Settlement size: 9,256.18 m² (0.93 ha)



Number of households: 101

Assessment and Categorisation Synthesis

The Paddock informal settlement is located in the rural agricultural region of the RNM and has inadequate access to education, healthcare and community facilities. The settlement is located on land with a gradual slope and is not affected by any watercourses, floodlines or Critical Biodiversity Areas. There are also no servitudes affecting the settlement.

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

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

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

B2
Interim basic services and long-term relocation. Relocation strategy to be formulated.

Paddock Informal Settlement Constraints Areas

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

Development Need

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

Minimum level of service standards

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

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

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

Site specific requirements

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

Relocation Strategy

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

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

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

Generic Relocation Strategy

PHASE	OUTCOMES	ACTIONS	RESPONSIBLE ENTITY
Phase 1: Land availability	Determination of area/extent of land required and appropriate infrastructure level of service to be provided.	1. Identify suitable land for human settlement development. 2. Conduct technical assessment of identified land (site feasibility) 3. Produce proposed layout plan to determine yield	RNM with support from UGU DM and KZN-DoHS
Phase 2: Community engagement	Participatory planning process and identification of willing and qualifying beneficiaries	1. Identify settlement leadership structures. 2. Establish project committee which includes community leadership structure. 3. Determine if residents are willing to relocate to identified land.	RNM with support from DHS and KZN-DoHS through NUSP

PHASE	OUTCOMES	ACTIONS	RESPONSIBLE ENTITY
		4. Determine number of beneficiaries to be relocated	
Phase 3: Relocation preparation/ development	Council approval to acquire/release land and securing of finance	1. Identify suitable finance mechanism(s) 2. Secure funding 3. Commence land acquisition if needed. 4. Finalise layout plan in consultation with community. 5. Obtain statutory approvals (environmental and town planning) 6. Develop contingency plans for residents that cannot be relocated. 7. Develop land in line with approved layout plan (including installation of services; transfer of stands; <i>optional development of top structures</i>)	KZN-DoHS in collaboration with RNM, UGU DM, Eskom through NUSP
Phase 4: Allocation of beneficiaries	Relocation of beneficiaries to new development	1. Allocate stands/ houses to qualifying beneficiaries based on	RNM with support from KZN-DoHS

PHASE	OUTCOMES	ACTIONS	RESPONSIBLE ENTITY
		Housing Needs Register 2. Provide relocation assistance (transportation, relocation kits (if applicable), social service support, sustenance) 3. <i>Provide emergency assistance at transit sites to households who cannot be moved to developed land</i>	
Phase 5: Risk mitigation	Ensure that invaded land/ settlement is not reoccupied.	1. Remove informal structure as soon as household is relocated. 2. Fence off land and install lighting and signage as a deterrent to re-occupation. 3. Activate land as per intended land use where feasible. 4. Commence/ continue land invasion monitoring	RNM

RURAL HOUSING PROGRAMME

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

5.HUMAN SETTLEMENT PROGRAMMES AND PROJECTS- HOUSING SUPPLY

Number of projects in terms of the different Housing Programmes

PROGRAMMES	TOTAL NUMBER OF PROJECTS	STAGES
Rural Housing Programme	26 projects	13 - Completed 2 - Planning stage 11- Implementation stage
Informal Settlement Upgrading	4 projects	1 – Completed 2 - Planning stage 1 - Implementation stage
Greenfield Housing Programme	2 projects	2 - Completed 3 - Planning stage 1 - Implementation stage
Social Housing Programme	3 projects	3 - Planning stage
Social Housing / Financed linked individual Subsidy Programme (FLIPS/Gap market)	2 projects	2- Planning stage
Rectification Programme	3 project	1 - Completed 1 - Planning Stage 1 - Implementation Stage
Title Deed Restoraton Programme	3 project	3 - Implementation stage
Integrated Residential Development Programme /other	3 land parcel	Conceptual stage - Identified land parcels for further development
Institutional Subsidy Programme (Old age home upgrading)	1 project	1 - Implimentation stage

Housing Opportunities Provided / under Construction/ Planning within the Municipality (Since 1994)

PROGRAMMES	SITES SERVICED	UNITS ALREADY CONSTRUCTED	UNITS UNDER CONSTRUCTION	UNITS UNDER PLANNING
Rural Housing Programme	0	13 855	2249	9200
Informal Settlement Upgrading	867	734	712	1060
Greenfield Housing	2524	1299	0	1325
Rectification Programme	0	269	0	100
Insitu Upgrading	0	367	300	1333
Social Housing Programme (rental)	0	0	0	2424
Social Housing / Financed linked individual Subsidy Programme (FLIPS/Gap market), IRDP	0	0	0	612
Institutional Subsidy Programme	0	0	0	220 (upgrade old age home)
Total	3391	16 524	3261	16274

HUMAN SETTLEMENT DEVELOPMENT GRANT FUNDING AND OPERATIONAL FUNDING

For the respective financial year, the expenditure on housing development was **R100 537 529,84** with operational funding in the amount of **R3 713 765,22** being received from the Provincial Department of Human Settlements

HUMAN SETTLEMENTS PROGRAMMES AND PROJECTS

COMPLETED PROJECTS								
Program me	Project	W ar d	Clust er	Projec t size				Status
					Sites service d	Top Structu res Built	Title deed issued	
Rural Housing Program me	Vukuzithat he Phase 1 - (Nkulu & Mbeni)	33 & 36	1	1116	0	1116	n/a	Completed with 1116 top structures built
Rural Housing Program me	Vukuzithat he Phase 2 - (Dlovinga)	3,3 3 & 36	1	1000	0	1000	n/a	Completed with 1000 top structures built
Rural Housing Program me	KwaNyusw a Phase 1 - (Mahlabat hini & Thonjeni)	34	1	1000	0	1000	n/a	Completed with 1000 top structures built
Rural Housing Program me	KwaNzima kwe (Phase 1)	1,1 0 & 11	2 & 3	500	0	500	n/a	Completed with 500 top structures built
Rural Housing Programm	Oshabeni Phase 1	4 and 12	2	502	0	502	n/a	502 top structures completed.
Rural Housing Program me	Oshabeni Phase 2	4 and 12	2	300	0	300	n/a	300 top structures completed.

COMPLETED PROJECTS								
Program me	Project	W ar d	Clust er	Projec t size				Status
					Sites service d	Top Structu res Built	Title deed issued	
Rural Housing Program me	KwaXolo Phase 1	7 & 9	2	1000	0	977	n/a	977 top structures have been completed. and closed off. 23 sites with challenges were repackaged under Sukuma Sakhe Programme.
Rural Housing Program me	KwaXolo Phase 2	7, 8, 29 and 32	6	1100	0	1087	n/a	Completed - Project closed off 1087 units due to challenges with remaining sites.
Rural Housing	KwaNdwane	24, 3, 2	4 and 5	1 000	0	1000	0	995 top structures completed.

COMPLETED PROJECTS								
Program me	Project	W ar d	Clust er	Projec t size				Status
					Sites service d	Top Structu res Built	Title deed issued	
Program me	(deep rural)	02 1, 22, and 23						
Rural Housing Program me	KwaNdwal ene (Phase 2A)	20, 21, 22 and 23	5	500	0	500	n/a	Project completed with 500 units.
Rural Housing Program me	KwaMadlala	14	2	1000	0	992	0	922 top structures completed.
Rural Housing Programm	Mthimude Phase 1	36	1	1000	0	989	n/a	The project is complete and capped at 989 top structures completed. 11 sites could not be built on due to various site challenges.

COMPLETED PROJECTS								
Program me	Project	W ar d	Clust er	Projec t size				Status
					Sites service d	Top Structu res Built	Title deed issued	
Informal Settlement Upgrade (urban)	Louisiana	15	1	697	697	564	564	697 sites serviced and 564 top structures built. Processes of title deeds have been initiated. Land consolidation process in underway.
Greenfield Housing Programme (Urban)	Bhobhoyi Phase 1	20	3	711	711	699	699	711 sites serviced, 699 top structures built. To initiate title deed process for all top structures built. Addressing funding shortfall with PDoHS.

COMPLETED PROJECTS								
Program me	Project	W ar d	Clust er	Projec t size				Status
					Sites service d	Top Structu res Built	Title deed issued	
Greenfiel d Housing Program me	KwaNzima kwe (PHP) KwaLatshoda	1	7	1 813	1813	600	600	1813 sites serviced. 600 top structures built. Remaining units could not be built due to bulk sanitation challenges /road expansion (R61). To initiate title deed process (600 top structures). Additional funding approved by PDoHS, to appoint Implementing Agent.
Rectifica tion Pre 1994	Gamalakh e	2, 26 & 28	4	273	0	273	0	266 top structures have been rectified. The

COMPLETED PROJECTS								
Program me	Project	W ar d	Clust er	Projec t size				Status
					Sites service d	Top Structu res Built	Title deed issued	
								remaining 4 units to be demolished and rebuilt, have been moved to Phase 2.
Rural Housing Program me	KwaMavundla	17, 20, 25 26 & 27	4	1104	0	1104	0	1104 top structures completed.

PROJECTS IN CONSTRUCTION PHASE								
Program me	Project	Ward	Clus ter	Proj ect Size				Status
					Servi ced Sites	Top Struct ures	Title Dee ds	
Informal settleme nt upgrading (urban)	Masinenge (Urban)	3	4	882	882	882	882	Construct ion of Phases 1 – 3 has been complete d with

PROJECTS IN CONSTRUCTION PHASE								
Program me	Project	Ward	Clus ter	Proj ect Size				Status
					Servi ced Sites	Top Struct ures	Title Dee ds	
								586 units handed over. Construct ion of Phases 4 – 5 is anticipate d to commenc e in the 2025/26 financial year.
In-situ Upgradi ng	Gamalakh e (Insitu upgrading - 2000 units) – Phase 1	25, 26, 27, & 28	4	0	0	500	0	DoHS has approved the constructi on of 500 units in Phase 1. 367 units were built and handed

PROJECTS IN CONSTRUCTION PHASE								
Program me	Project	Ward	Clus ter	Proj ect Size				Status
					Servi ced Sites	Top Struct ures	Title Dee ds	
								over before the project was put on hold after Implementing Agent left site. DoHS to appoint a new Implementing Agent in the 2025/26 financial year.
In-situ Upgrading	Gamalakh e (Insitu - upgrading Phase 2	25,26 ,27 & 28	4	0	0	300	0	DoHS has approved the constructi

PROJECTS IN CONSTRUCTION PHASE								
Program me	Project	Ward	Clus ter	Proj ect Size				Status
					Servi ced Sites	Top Struct ures	Title Dee ds	
								on of 300 units in Phase 2. The Implementing Agent is undertaking beneficiary administration and construction is anticipated to start in the 2025/2026 financial year.
Rectifica tion Pre - 1994	Gamalakh e Rectificatio n Phase 2	5 & 28	4	149	0	149	0	DoHS has approved the

PROJECTS IN CONSTRUCTION PHASE								
Program me	Project	Ward	Clus ter	Proj ect Size				Status
					Servi ced Sites	Top Struct ures	Title Dee ds	
								rectificati on of 149 units in Phase 2. The Impleme nting Agent is anticipate d to be appointe d in the 2025/202 6 financial year.
Rural Housing Program me	Oshabeni (Phase 3)	4 & 12	6	200	0	200	0	Due to budget cuts, the project was put on hold. Construct ion is anticipate d to

PROJECTS IN CONSTRUCTION PHASE								
Program me	Project	Ward	Clus ter	Proj ect Size				Status
					Servi ced Sites	Top Struct ures	Title Dee ds	
								commenc e in 2025/202 6 financial year.
Mixed income housing	Merlewood	17	6	228	228	228	228	137 top structure s have been complete d. 37 sites unbuildab le. Funding challenge s being addresse d between PDOHS, and the Municipal ity. Bulk Infrastruc

PROJECTS IN CONSTRUCTION PHASE								
Program me	Project	Ward	Clus ter	Proj ect Size				Status
					Servi ced Sites	Top Struct ures	Title Dee ds	
								ture pipeline is complete. Retaining walls are also complete. The municipal ity is engaging the Departm ent of Human Settleme nts for additional funding, in order to complete the project.

PROJECTS IN CONSTRUCTION PHASE								
Program me	Project	Ward	Clus ter	Proj ect Size				Status
					Servi ced Sites	Top Struct ures	Title Dee ds	
Rural Housing Program me	KwaNdwalane Phase 2	20, 21, 22, 23 & 24	3	300	0	300	0	DoHS has approved the construction of 300 units in Phase 2. 157 units were built and handed over. However, due to funding constraints in the DoHS, project was put on hold and is anticipated to resume on the

PROJECTS IN CONSTRUCTION PHASE								
Program me	Project	Ward	Clus ter	Proj ect Size				Status
					Servi ced Sites	Top Struct ures	Title Dee ds	
								2026/27 financial year.
Rural Housing Program me	KwaNzima kwe Phase 2	1,10 & 11	3	300	0	300	0	DoHS has approved the construction of 300 units in Phase 2. 299 units were built and handed over. The last unit to be constructed in the 2025/26 financial year.
Rural Housing	KwaNyus wa Phase 2- (Blose)	31 & 34	1	300	0	300	0	DoHS has approved

PROJECTS IN CONSTRUCTION PHASE								
Program me	Project	Ward	Clus ter	Proj ect Size				Status
					Servi ced Sites	Top Struct ures	Title Dee ds	
Program me								the constructi on of 300 units in Phase 2. The Impleme nting Agent is undertaki ng beneficiar y administr ation and constructi on is anticipate d to start in the 2025/202 6 financial year.
Rural Housing	Mtimude Phase 2	35 & 36	1	300	0	300	0	DoHS has

PROJECTS IN CONSTRUCTION PHASE								
Program me	Project	Ward	Clus ter	Proj ect Size				Status
					Servi ced Sites	Top Struct ures	Title Dee ds	
Program me	(Hlomandli ni/ Bhosiki)							approved the constructi on of 300 units in Phase 2. 39 units were built and handed over.
Rural Housing Program me	Mtimude Phase 2 (Shibe)	35	1	300	0	300	0	DoHS has approved the constructi on of 300 units in Phase 2. The Contracto r is working on 60 units.

PROJECTS IN CONSTRUCTION PHASE								
Program me	Project	Ward	Clus ter	Proj ect Size				Status
					Servi ced Sites	Top Struct ures	Title Dee ds	
Rural Housing Program me	Vukuzithat he Phase 3 (Ngcawus heni/ Bdlazi)	30	1	300	0	300	0	DoHS has approved the constructi on of 300 units in Phase 2. 50 units were built and handed over.
Rural Housing Program me	Vukuzithat he Phase 3 (Bandlana/ Shobasha bene)	30,31 & 33	1	300	0	300	0	DoHS has approved the constructi on of 300 units in Phase 2. The Contracto r is working

PROJECTS IN CONSTRUCTION PHASE								
Program me	Project	Ward	Clus ter	Proj ect Size				Status
					Servi ced Sites	Top Struct ures	Title Dee ds	
								on 31 units.
Rural Housing Program me	KwaNyus wa Phase 2 - Wosiyane /Nkulu	34	1	300	0	300	0	Planning activities have been complete d and an applicatio n for funding to undertak e constructi on has been submitted to the DoHS.
Instituti onal Subsidy Program me	Gamalakh e- Zibambele ni Old Age Home (upgrade)	26	4	220	0	220	0	The project is put on hold due to funding

PROJECTS IN CONSTRUCTION PHASE								
Program me	Project	Ward	Clus ter	Proj ect Size				Status
					Servi ced Sites	Top Struct ures	Title Dee ds	
								constraint s.

PROJECTS IN THE PLANNING PHASE						
Programm e	Project	Ward	Clust er	Project Size	Phased Approach ed	Status
Informal settlement upgrading (urban)	Mkholombe	20	6	1000	Phase 1 (500 units) Phase 2 (500 units)	In terms of the National-USDP programme detailed studies have been carried in the 2021/2022 financial year. Have challenges with bulk infrastructure and also to review the appointment of the Implementing

PROJECTS IN THE PLANNING PHASE						
Programme	Project	Ward	Cluster	Project Size	Phased Approach	Status
						Agent. Through planning funding from the PDoHS, the District Municipality as appointed a Professional Team to undertake detailed assessment, planning with an implementation plan on the provision of bulk infrastructure (sanitation) routing to the respective treatment plan. Also upgrading of respective

PROJECTS IN THE PLANNING PHASE						
Programme	Project	Ward	Cluster	Project Size	Phased Approach	Status
						treatment plan.
Rural Housing Programme	KwaMadlala- Phase 2	13,14 & 15	2	1000	To be phased	To be planned in terms of Tranche 1.
Rural Housing Programme	KwaXolo – Ingwembalala	7	2	200	0	To be planned in terms of Tranche 1.
Rectification	Gamalakhe – Phase 3	5	4	100	0	Still to be planned for rectification
Informal Settlement Upgrading	Paddock (Transnet Ltd)	31	1	60	60	In terms of the National-USDP programme detailed studies have been carried out in the 2021/2022 financial year. Development is subject to relocation of affected

PROJECTS IN THE PLANNING PHASE						
Programme	Project	Ward	Cluster	Project Size	Phased Approach	Status
						families once alternative land has been identified.
Greenfield housing programme	Merlewood middle income housing	17	2	187	187	Provision of mixed income housing opportunities with different housing typologies and densities. Still under planning.
Greenfield housing programme	Bhobhoyi Phase 2	20	6	1098	1098	Project implementation stalled. Awaiting bulk infrastructure provision by UGU District Municipality. Planning funds approved by the PDoHS

PROJECTS IN THE PLANNING PHASE						
Programme	Project	Ward	Cluster	Project Size	Phased Approach	Status
						Detailed Planning studies have been carried (NUSP) in the 2021/2022 financial year. UGU District Municipality acknowledges bulk infrastructure challenges. Infrastructure funding will be required to upgrade treatment works.
Greenfield housing Programme	Lots7 Abersville	12	7	40	40	Challenges with local community and land ownership. Project is on hold due to landowners' challenges

PROJECTS IN THE PLANNING PHASE						
Programme	Project	Ward	Cluster	Project Size	Phased Approach	Status
						with beneficiary community.
IRDP-Mixed Income Housing	Marburg settlement (Portion 1 of Lot 7-5344)- Mr Frik Pieterse)	20	6	144	144	Provision of mixed income housing with 20 sites reserved for Military Veteran. Land parcel still to be transferred from PDoHS to RNM
FLIP/Social Housing /individual subsidy programme	Disposal of Council owned Serviced Sites in various areas (Marburg/ White City)	12,17 & 18	6 & 7	612	612	Provision of mixed income housing opportunities with different housing typologies and densities. Municipal Council has appointed an Implementing

PROJECTS IN THE PLANNING PHASE						
Programme	Project	Ward	Cluster	Project Size	Phased Approach	Status
						to do detailed planning with project implementation. Bulk Infrastructure (sanitation) challenges by UGU District Municipality Upgrading of treatment plan / use of package plants (alternative).
IRDP Mixed income Housing	Portion 15 (of 17) Portion 16 (of 7) and the remainder of 7 of the farm Success no 7108	22	5	281	281	Provision of mixed income housing opportunities with different housing typologies and densities. Land was acquired by the PDoHS for the

PROJECTS IN THE PLANNING PHASE						
Programme	Project	Ward	Cluster	Project Size	Phased Approach	Status
						Municipality. Land is in ownership of the Municipality. Still to undertake detailed planning with project implementation.
IRDP Mixed income Housing	Portion 8 (of 4), Portion 46 (of 7) of the farm Louisiana Sanderstead no 15566 – Mr Chetty)	22	5	Still to be determined	Still to be determined	Provision of mixed income housing opportunities with different housing typologies and densities. Land was acquired by the PDoHS for the Municipality. Land has been transferred to

PROJECTS IN THE PLANNING PHASE						
Programme	Project	Ward	Cluster	Project Size	Phased Approach	Status
						the Municipality. Currently zoned Agriculture. Needs to be rezoned for Residential purposes. Bulk Infrastructure assessment, to be advised by UGU District Municipality.
Social and Rental Housing	Marburg (erven 4939 & 4941). Uvongo (erf 1675)	12, 17, 18 & 19	2	2424	2424	The project is part of the Social Housing Rental Housing Programme Bulk Infrastructure challenges by UGU District Municipality.

PROJECTS IN THE PLANNING PHASE						
Programme	Project	Ward	Cluster	Project Size	Phased Approach	Status
						Bulk Infrastructure (sanitation) challenges by UGU District Municipality Upgrading of treatment plan / use of package plants (alternative).

5. KEY CHALLENGES

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

Rural Housing Programme



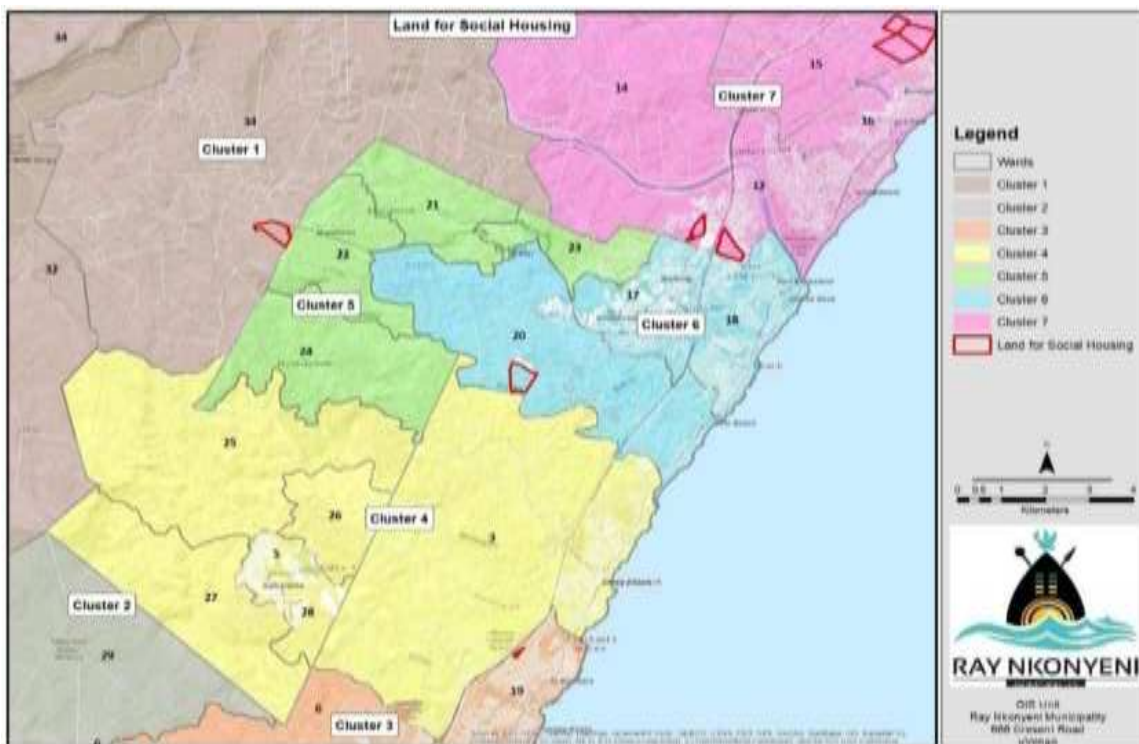
Informal Settlement Upgrading Programme conversion from Informal dwellings to formal housing.



Insitu Upgrading: Low Income Housing Provision (High Density Option)



6. HOUSING PROGRAMMES AND PROJECT LOCATION



HR Stats for Human Settlements:

Employees: Human Settlements					
Job Level	2023/2024	2024/2025			
	Employees No.	Posts No.	Employees No.	Vacancies (Fulltime equivalents) No.	Vacancies (as a % of total posts) %
TG. 14 - 16	1	1	1	0	0%
TG. 9 - 13	5	6	4	2	33%
TG. 4 - 8	2	2	2	0	0%
TG. 3	0	0	0	0	
Total	8	9	7	2	22%

Financial Performance for Human Settlements

Financial Performance 2024-25: Human Settlements R'000				
Details	2024-25			
	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	509	2 895	3 890	36%
Expenditure:				
Employees	772	14 119	14 606	19%
Repairs and Maintenance	—	—	—	
Other	623	1 475	360	-351%
Total Operational Expenditure	395	15 594	14 966	10%
Net Operational Expenditure	(10 887)	(12 698)	(11 076)	2%
<i>Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.</i>				
T 3.5.5				

Capital Expenditure 2024-25 for Human Settlements:

Capital Expenditure 2024-25: Human Settlements					
R' 000					
Capital Projects	2024-25				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	55	55	229	(174)	229240
				—	
Office Computer Equipment Technical Services	35	35	171	(136)	170911
Furniture and Equipment Technical Services	20	20	58	(38)	58329
				—	
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).</i>					
					<i>T 3.5.6</i>

Component B: Roads

3.5 Roads and Stormwater

Introduction to Roads & Storm Water

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

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

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

Tarred Road Infrastructure					
Kilometres					
	Total tarred Roads	New roads constructed	Existing tar roads re-tarred	Existing tar roads re-sheeted	Tarred roads maintained
2024-25	790	0	0	0	200

Cost of Construction/Maintenance						
R/kilometer						
Year	Gravel			Tar		
	New	Gravel-tar	Maintained	New	Re-worked	Maintained
2024-25	0	5,800.00	458,780	0	8,780,000	710,000

Storm-water Infrastructure				
Kilometres				
Year	Total storm-water measures	New storm-water measures	Storm-water measures upgraded	Storm-water measures maintained
2024-25	57841	0	3.1	689900

Cost of construction/Maintenance			
R/meter			
Year	Storm-water Measures		
	New	Upgraded	Maintained
2024-25	R208,780	R710.00	R2760

HR Stats for Road & Waste Water (Storm-Water Drainage) Services

Employees: Road & Waste Water (Storm-Water Drainage) Services					
TASK GRADE	2023/2024	2024/2025			
	Employees No.	Posts No.	Employees No.	Vacancies (Fulltime equivalents) No.	Vacancies (as a % of total posts) %
TG. 14 - 16	1	1	1	0	0%
TG. 9 - 13	18	20	18	2	10%
TG. 4 - 8	38	39	38	1	3%
TG. 3	65	114	61	53	46%
Total	122	174	118	56	32%

Financial Performance 2024-2025 for Roads & Stormwater Services

Financial Performance 2024-25: Roads & Stormwater Services				
R'000				
Details	2024-25			
	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	–	23 519	23 196	100%
Expenditure:				
Employees	41 698	47 618	48 980	15%
Repairs and Maintenance	32 120	60 245	56 797	43%
Other	59 725	48 548	51 422	-16%
Total Operational Expenditure	133 543	156 412	157 200	15%
Net Operational Expenditure	(133 543)	(132 893)	(134 003)	0%
Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.				T 3.7.8

Capital Expenditure 2024-2025 for Roads & Stormwater Services

Capital Expenditure 2024-25: Roads & Stormwater Services					
Capital Projects	2024-25				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	15,000	16,878	16,000	6%	16,000
					–
Road Reseals	15,000	16,000	16,000	6%	16,000
GRADERS	–	878	–	0%	878
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).</i>					T 3.7.9

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

Component C: Planning and Development

3.6 Planning

Introduction to Planning & Development

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

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

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

–

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

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

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

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

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

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

	Applications for Land Use Development									
Detail	Planning application received		Determination made in year of receipt		Determination made in following year		Applications withdrawn		Applications outstanding at year end	
	2023-24	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24	2024-25
Rezoning & Special Consent	02	10	00	04	00	04	02	03	00	04
Special Consent	18	28	06	06	08	10	02	02	05	12
Rezoning	09	18	01	03	04	08	00	01	02	06
Applications relating to restrictions of land	10	08	07	02	02	05	00	00	01	01
Rezoning, Consolidation, Subdivision, Alteration & Consent	14	27	04	12	02	08	03	01	04	09
Subdivision & Consolidation	11	20	03	07	09	17	01	00	04	02
Written Consents	26	34	17	12	16	26	02	01	03	09
Relaxations	44	48	20	27	13	14	01	01	05	07
Applications for development outside Scheme Area	01	01	00	01	00	01	01	00	00	00
Encroachments	01	01	00	00	01	01	00	00	00	00
Appeals	04	03	02	01	01	02	01	00	00	00

HR Stats for Development Planning (incl. Building Control and Town Planning)

Employees: Development Planning (Incl. Building Control and Town Planning)					
TASK GRADE	2023/2024	2024/2025			
	Employees No.	Posts No.	Employees No.	Vacancies (Fulltime equivalents) No.	Vacancies (as a % of total posts) %
TG. 14 - 16	7	7	7	0	0%
TG. 9 - 13	13	25	18	7	28%
TG. 4 - 8	5	10	7	3	30%
TG. 3	1	1	1	0	0%
Total	26	43	33	10	23%

Financial Performance 2024-2025 for Town Planning & Building Control

Financial Performance 2024-25: Town Planning & Building control R'000				
Details	2024-25			
	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	5 038	3 530	3 848	-31%
Expenditure:				
Employees	21 540	24 095	24 910	14%
Repairs and Maintenance	80	80	–	
Other	4 722	4 278	1 944	-143%
Total Operational Expenditure	26 342	28 453	26 854	2%
Net Operational Expenditure	(21 304)	(24 923)	(23 006)	7%
Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.				
T 3.10.5				

Capital Expenditure 2024-2025 for Town Planning and Building Control

Capital Expenditure 2024-25: Town Planning and Building control R' 000					
Capital Projects	2024-25				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	670000	760441	383306	-75%	383306
Town Planning Computer Assets	100	336	213	53%	213492
Techno Hub Computers and Chargers	100	100	96	-4%	95815
TechnoHub Furniture	100	74	74	-35%	74000
Town Planning Furniture And Equipment	—	—	—	-	0
TechnoHub Inverter	150	200	—	-	0
Techno HUB installation of Automated Gate	20	50	—	-	0
TechnoHub Carport Bay	200	—	—	-	0
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).</i>					<i>T 3.10.6</i>

3.7 Local Economic Development and Tourism

1. Local Economic Development (LED):

SMME & Cooperatives Entrepreneurship Funding Support

In line with its LED mandate, Development Planning Services facilitated and coordinated the SMME & Cooperatives funding support. In line with the Service Delivery & Budget Implementation Plan (SDBIP) 2024/2025, the department was mandated to financially support thirty-five (30) SMMEs and Co-operatives. Following the call for submission of applications, it is pleasing to note that eventually a total of thirty (30) SMMEs were assisted. The service provider for the programme was delegated to coordinate mentorship sessions to assist capacitate the assisted SMMEs

with tools to assist in identifying gaps within their operations and receive guidance on how to expand and manage their businesses.



Mentorship sessions were held on the 3rd of September 2024 and 29th January 2025.

Flair Designers Emporium (FDE) SMME Shop

- In line with the Municipality's mandate to support emerging crafters and fashion designers, financial support was provided towards the leasing of the SMME shop named Flair Designers Emporium (FDE), which is located within the Port Shepstone Intermodal Transport and Retail Facility (Port Shepstone Mall). The financial assistance provided was utilized towards rent, shop fitting, marketing and successful coordination of the boutique ahead of the opening of the mall on 24 October 2025. Items from 10 SMMEs that were recommended by the LED section are currently obtainable from the shop, which enhances accessibility and easier marketing between the SMMEs and their clients.



South Coast Business Fair 2024

- One of the strategic objectives of the LED office is to create an enabling environment to grow businesses, it for this reason that we support initiatives that seek to empower and put SMMEs and Cooperatives on the map. The LED Office partnered with Fashion Designer – Sistas Felas Trading and Projects, to empower businesses mostly in the clothing and textile sector with the opportunity to take part in the South Coast Business Fair. The event took place on the 14th of September 2024 at the Port Shepstone Civic Centre and the activities that took place consist of exhibition by 50 business in the district, 25 being from Ray Nkonyeni Municipality, a business seminar, a fashion show, sewing competition, awards, a panel of discussions with stakeholders and SMMEs. Some SMMEs got recognition from partners of the Fair, which resulted in one of our own fashion designers securing gadgets from MTN.



BBB-EE Compliance Workshop

- One of the key tasks for the LED Section is to ensure that support is either provided or facilitated for emerging enterprises, and that there is a conducive environment for sustained growth amongst supported enterprises. It is for this reason that the office took the initiative to partner with the department of Economic Development Tourism and Environmental Affairs, under the BEE Compliance division, to conduct the BBE Compliance Workshop. The objective of the workshop was to empower SMMEs and Cooperatives with the relevant information to ensure enterprises are compliant with government business regulations, most importantly to enable them to qualify for various.

- opportunities. The BBB-EE Compliance Workshop was held on the 26th of August 2024, and another follow-up session was held on the 23rd of June 2025. SMMEs and Cooperatives who were in attendance benefitted from the robust discussions from stakeholders such as KZN Treasury, SARS, Central Supplier Database (CSD), Liquor Board Authority, Consumer Protection and BBEE Compliance.

Ray Nkonyeni Business Awards 2024

- The Business Awards are an initiative that has been financially supported by the Municipality, where emerging businesses are recognised for the work that they perform in their different fields, using different categories. The SMMEs are first profiled for a show called The Next Billionaires which airs on 1KZNTV (channel 261) every Tuesday at 21h30, which affords them the opportunity to market themselves and engage with their clients. The awards ceremony took place on the 4th of December 2025, at the UGU Sports and Leisure, with 20 categories and 60 nominees, which created competitiveness, yielding marketing results for the SMMEs involved.



The LED Office partnered with Ithala Development Finance Corporation to host the Inkunzi Isematholeni Youth in Business programme, which is a business development programme and business competition for Youth in business. This was a two-day programme that took place on the 20th and 21st August 2024, at Uvongo Town Hall, where 41 young business owners pitched their business ideas to a group of panellists. Three winners were identified as business ideas that were most innovative, additionally seeking to provide a solution to problems within the society. They are as follows; Goodluck Martin Nzimande from Essential Elucidation (Pty) Ltd, Nomcebo Nzimakwe from Sky Drop (Pty) Ltd and Sekelo Shude from Kuluhlaza Trading. A Gala Dinner and awards ceremony was subsequently held on the 22 November 2025 at the Olive Convention Centre in Durban, where winners from all over KZN received their prizes.



Health & Safety Workshop/ Cost Pricing & Tendering Workshop

- A health and safety workshop were a two-day initiative that took place on the 14th and 15th April 2025, where 65 SMMEs and cooperatives were educated on how to identify, manage and prevent health and safety risks within their different fields of work. The objective of the workshop was to ensure legal compliance, reduce accidents, promote a culture of safety and provide practical knowledge for handling tools, equipment, chemicals as well as how to handle emergencies in the workplace. This workshop was followed up by training on costing pricing and tendering, which was held from the 9th to 11th June 2025 in ZG Hall in Gamalakhe.



Agriculture Summit 2024

- As part of strategic effort to strengthen the agricultural sector, Ray Nkonyeni appointed Wenzokuhle Holdings as the official service provider to coordinate and host the agricultural summit, which was successfully held on the 7 November 2024 at the UGU Sports and Leisure. The summit aimed to provide: the platform for engagement between the municipality, emerging and commercial farmers and agricultural experts, to showcase opportunities in the agricultural value chain, promote knowledge sharing and innovation in sustainable farming practices, to address challenges facing local farmers, to increase exposure and networking for local farmers.



Pig Production Information Day 2025

- Ray Nkonyeni in partnership with Department of agriculture and rural development in successfully hosted the pig production information day which was held on the 24 June 2025 and was attended by 100 attendees from all wards. The purpose of the information sharing is to workshop and information

sharing with local pig farmers. Also present were providers from different feeding businesses and livestock health supplement businesses.



Community Garden Support Programme

- One of the LED key strategic objectives is to promote sustainable livelihood and enhance the fight against poverty by providing poverty alleviation support to the emerging farmers. In line SDBIP, five (5) community gardens received potato seeds support to boost food production. Her worship the mayor handed over garden tools and seeds to Ward 14 community garden on the 6th of September 2024. Total of twenty (20) community gardens from twenty different wards benefited from provision of water tanks to ensure consistent water supply.



Chilla Nathi Event

The department supported a Chilla Nathi initiative, which is an initiative led by Chilla Nathi Concepts. The 2024 edition was held at the St. Mikes Beach



Uvukile Gospel Festival

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



UGU Maskandi Festival

- UGU Maskandi Festival is one of the events that Council resolved to support. In this financial year, the event was held at the UGU Sports & leisure Centre in Gamalakhe. The event, which is organised by UGU Broadcasting Services is essentially a heritage & cultural celebration, which is done via traditional maskandi music. Also, the festival serves as a platform to promote and encourage local and upcoming maskandi artists. In terms of this year's event, more than sixty artists and DJs performed, inclusive of local artists. As outlined

in the attached close-out report, several high-profile artists graced and performed at the event. In terms of attendance, the 2023 edition of the festival had more than 8500 people, which included maskandi music lovers from other parts of the province, hence tourism attraction element for the event.



Africa's Travel Indaba 2025

The Africa Travel Indaba, one of the continent's premier tourism marketing events, took place from 12 to 15 May 2025 at the Inkosi Albert Luthuli International Convention Centre in Durban. The event brought together tourism stakeholders from across Africa and beyond to promote African tourism offerings, foster partnerships, and drive sustainable growth in the sector. This year, Ray Nkonyeni Municipality (RNM) proudly showcased five dynamic small businesses from the region, providing them a platform to exhibit their unique tourism products and services to a global audience. In addition to providing exhibition space, RNM partnered with Umngeni-Thukela Water to secure branding and marketing support for the five SMMEs through Business Fit, a strategic initiative designed to enhance the visibility and professional image of small enterprises. This collaboration ensured that each business had a distinct, polished presence at the Indaba, which helped attract attention from potential partners and clients.



Business licensing awareness sessions

- As the Development Planning Services Department, Business Regulations remains as one of our main key performance areas. In line with the Business Act, No. 71 of 1991 all applications are lodged with the Local Economic Development Officer responsible for this task and further forwarded to commenting departments for inspections and recommendations for approval. The Office is also tasked with the responsibility to ensure compliance as outlined by the Businesses Act. In addition to the above, the office also hosts Business License Awareness Sessions in various areas of the municipality. The objective of such session is to provide clarity on processes and procedures to be followed when applying for a business license and also educate applicants on the new KZN Automated Business Licensing System. The office conducted a business licensing empowerment workshop in Hibberdene Town Hall on the 25th of March 2025 for businesses surrounding the Hibberdene area.

Blitz Operation – Main Harding Road

- Together with UGU District Municipality, SAPS, Home Affairs and EDTEA, the office was part of a blitz operation that was conducted on the 05th of December 2024 for the areas surrounding the Main Harding Road. Inspections were conducted in Marburg on Watterson Street and three businesses (including a factory that supplies maize popcorn chips) were closed for non-compliance.

The operation also reached Murchison Location, and another two businesses were closed for non-compliance.

Umzumbe River Informal Traders Handover

- On the 17th of March 2025, a handover of trading tables and chairs was conducted to assist the informal traders operating next to the Umzumbe River.



2. ENVIRONMENTAL CONTROL:

- Achieved 100% of its 2024/2025 SDBIP Targets
- Successfully conducted 16 education and awareness campaigns for the year i.e. Marburg CBD clean- up with EDTEA, School Waste awareness at Skhuthali Primary school, International day for biodiversity at George Mbele high school ,Waste and Education clean-up campaign at Marburg and Port Shepstone, Insingizi Primary School International day of zero waste, training on Local Government Climate Change Support Program, SEWEP Teachers Workshop at Uvongo Town Hall, Inala Primary School wetlands awareness programme, 02 workshop for SEWEP competition at Uvongo hall, and Induction workshop at Civic centre hall, Greenbook training for KZN Municipalities, Waste education and career day at Mgudlwa High school, Waste education and awareness clean-up at Mkholumbe, Environmental capacity building workshop (greening and cleaning) at Uvongo Hall, Greening project at Mganka High school and Awareness and education at Bhobhoyi
- All signage application received were successfully processed within the stipulated timeframe of 10 days.

3. TECHNOHUB:

- Successfully organised and held the RNM Stakeholder Consultative Conference on 23-24 October 2024.



- Successfully trained 40 pupils from Ingwemabala Technical High School under Ray Nkonyeni Municipality on the Fundamentals of Information Technology. This was a Partnership with Vodacom on the South Coast Region.
- Section received drone donation from EDTEA as way of advancing in Technology.



- Continued to represent RNM in Provincial and National platforms such as Meeting Africa 2025 and Eastern Seaboard Development Initiative/ Workstreams.
- Had one of the Business Innovation Support Programme participate in the Falling Walls Lab Programme.
- Successfully reviewed internally, the RNM Investment Strategy.



4. STRATEGIC PLANNING:

- A senior Technical Planner was employed.
- All IDP Forums as per the municipal calendar were conducted successful.
- The 2024/25 IDP was ranked no. 4 in the province.
- Submitted to COGTA both the adopted Final 2025/26 IDP and WBP
- Presented the 2025/26 IDP to Amakhosi
- Adopted the DDM
- Conducted successful IDP Workshops in all wards.
- Achieved 100% of the 2024/2025 SDBIP Targets.



5. MARGATE AIRPORT

Procurement of specialized airport fire truck:

- The Municipality received financial support from the KwaZulu-Natal Department of Transport for the procurement of a specialised aviation firefighting vehicle for Margate Airport. The vehicle was delivered on 16 June 2025, and the official acceptance and handover ceremony took place on 17 June 2025, attended by the RNM Executive Committee. This firefighting truck enables the airport to upgrade its Civil Aviation Authority aerodrome license to Category 5, thereby allowing it to accommodate larger aircraft and support increased scheduled flight operations.



Aerodrome License:

- The airport maintained the Category 4 Civil Aviation Authority License and strives for constant compliance and improvement in the services offered, not only to the passengers but also to the general aviation public.

Aircraft and Passenger Movements:

- The sustainability of private and commercial flights utilizing the airport is a major turning point for the tourism industry of the KZN South Coast.
- Total Aircraft Movements: 1 392
- Total Passenger Arrivals: 13 627
- Total Passenger Departures: 3 560

Schedule Flight Service:

- The airline (CemAir) maintains daily scheduled flights, seven (7) times per week but included additional daily flights during the seasonal period to accommodate for the increase of passengers' numbers.

6. BUILDING CONTROL:

- All building plan applications for projects under 500 square meters have been approved within 30 days from receipt of completed application.
- All building plan applications for projects over 500 square meters have been approved within 60 days from receipt of completed application.
- Achieved 100% of the 2024/2025 SDBIP Targets.

7. TOWN PLANNING:

- Adoption of the SDF Review 2024/2025
- Achieved 100% of its 2024/2025 SDBIP Targets
- The town planning section successfully held all Municipal Planning Tribunal meetings

HR Stats for Local Economic Development Services (incl. LED, Aviation and Technology Hub)

Employees: Local Economic Development Services (incl LED, Aviation and Technology Hub)					
TASK GRADE	2023/2024	2024/2025			
	Employees No.	Posts No.	Employees No.	Vacancies (Fulltime equivalents) No.	Vacancies (as a % of total posts) %
TG. 14 - 16	3	3	3	0	0%
TG. 9 - 13	14	23	16	7	30%
TG. 4 - 8	4	5	4	1	20%
TG. 3	1	2	1	1	50%
Total	22	33	24	9	27%

Component D: Community and Social Services

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

The Mandate of Art & Culture is to educate, inform, collect, record, preserve, develop, protect, promote arts, culture, heritage and provide access to information and venues. There are thirteen (13) libraries, four (4) mobile library units, one (1) modular library and two (2) museums. Mobile libraries were established to extend library facilities where there are no functional libraries.

Libraries

In 2024/25 financial year libraries circulated 113 450 issues for the period under review. The section has conducted 40 outreach programmes to ensure accessibility of information to our communities.

(4) Mobile libraries have been established and operational to extend library facilities inland where there are no functional libraries at, kwaMadlala, Maygog, Gcilima and Maveshe.

New kwaNzimakwe modular library

New kwaNzimakwe modular library has been operational with full staff complements of a qualified librarian, fully fledged cyber zone with computer library assistance to equip community with computer literacy

Cybercadets services

Free public internet access has been provided at libraries. Cybercadets trained 248 patrons on computer literacy skills at Gamalakhe, Margate, Hibberdene, Port Edward, Sazi Nelson, Port Shepstone, Ezinqoleni, Ntwentweni and at kwaNzimakwe modular library. All our libraries have free Wi-fi internet public access. Conducted 24 cybercadet workshops and visited 22 schools to promote the usage of internet facilities in libraries and empowered our communities. Trained 248 interested candidates on computer literacy.

Community facilities (Revenue collected from hall hiring)

There are currently 8 urban halls and 50 rural halls. Halls have been made accessible for Council purposes and for hiring by the public. In the year under review the hall bookings were 35 217 and amount of revenue generated was R370 595.00

Museums galleries

Port Shepstone Cultural history / maritime museum conducted oral history to promote time travel and heritage awareness programmes. Hosted successful International museum day. Document untold local history in partnership with Provincial Museum services and twinning association. Museums conducted outreach programmes to 3 schools. Exhibited ocean economy information to promote awareness on maritime.

The Margate Art gallery museum has become an information hub and a platform for the local artists to showcase and exhibit their art works Held (4) visual art exhibitions. Hosted successful comedy in comedian and Inkudla theatre festival. Created interest amongst our youth that visual art and performing arts can be taken as a serious career path. On-going Saturday art classes and residential art at Margate Museum to empower vulnerable children with artistic skills. Hosted 8 creative programmes in various genres to promote social cohesion.



HR Stats for Arts & Culture (Libraries, museums, galleries, community facilities)

Employees: Arts & Culture (Libraries, museums, galleries, community facilities)					
TASK GRADE	2023/2024	2024/2025			
	Employees No.	Posts No.	Employees No.	Vacancies (Fulltime equivalents) No.	Vacancies (as a % of total posts) %
TG. 14 - 16	1	1	1	0	0%
TG. 9 - 13	30	35	30	5	14%
TG. 4 - 8	32	34	32	2	6%
TG. 3	14	26	14	12	46%
Total	77	96	77	19	20%

Financial Performance 2024-2025 for Arts & Culture

Financial Performance 2024-25: Arts & Culture				
R'000				
Details	2024-25			
	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	143633	152435	122526	-17%
Expenditure:				
Employees	28545	31 723	33304	14%
Repairs and Maintenance	400	350	287	-40%
Other	4660	3 686	2 426	-92%
Total Operational Expenditure	33605	35 759	36016	7%
Net Operational Expenditure	110028	116676	86510	-27%
Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.				

T 3.12.5

Capital Expenditure 2024-2025 for Libraries, Arts and Culture

Capital Expenditure 2024-25: Libraries; Arts and Culture					
R' 000					
Capital Projects	2024-25				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	–	–	–	–	
Computer Equipment	–	–	–	0%	
Office Furniture	–	–	–	0%	
Machinery & Equipment	–	–	–	0%	
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).</i>					
T 3.12.6					

3.9 Aquatic Safety (Beach Management)

INTRODUCTION

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

BEACHES with BLUE FLAG status: -

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

PILOT Blue Flag Beaches: -

1. Ramsgate beach

1.) Water Safety

Approximately 27 years ago the former Hibiscus Coast Municipality now called the Ray Nkonyeni Municipality outsourced its Lifesaving functions to private companies who provide/ train and manage Lifeguards. The service was recently advertised as the three (3) contracts. The new Tender specified that the RNM was going to set up a panel of Lifeguard Service providers to create more opportunities for emerging companies to compete. The Tender was split into three (3) sections. Main and Blue Flag beaches, Seasonal beaches, and swimming pools. Three service providers appointed in 2023/2024 financial year are, are SIMUNYE LIFEGUARD SERVICES – Provision of all Lifeguard Services for all main and Blue Flag Beaches JULA Lifeguard Services Provision of Lifeguard Services for specified Swimming Pools, Lower South Coast Link provision of Lifeguards for all Weekend and Public Holidays. There are 11 main which are manned by Lifeguards on a full-time basis, Port Edward, Trafalgar, Marina Beach, Ramsgate Beach, Margate Beach, Lucien Beach, Uvongo Beach, St Mikes Beach, South Port Beach Umzumbe Beach and Hibberdene and 9 seasonal beaches which stretch over an area of 72 kilometres from Hibberdene in the north to Port Edward in the south. The three (3) service providers employ the services of locally based youth and continually train and empower them to work either fulltime or seasonally on the various beaches.

In the Tenders awarded to the three (3) service providers a value-added clause was written into their tenders which states that they must plough back into the community during their 3-year contracts. This service to the community need not be monetary by

nature but must be made up of educational programs aimed at the upliftment of the community. They are also required to visit rural schools monthly and offer water safety talks using Lifeguards in their employ to host these programs. The service providers allow Lifeguards in their employ to register for various extra mural courses which they may want to pursue in the future and financially assist them to partake in the courses. In this way they empower their own staff to improve their qualifications whilst being employed. The decision to further one's studies is left entirely up to the individuals to partake in.

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

2.) Blue Flag Campaign

The Internationally renowned Blue Flag campaign was introduced into SA approximately 27 years ago by the Department Agriculture and Environmental Affairs. SA was the first country outside of Europe to be granted permission to partake and fly Blue Flags on specific beaches which comply with all the required international Blue Flag criteria of which there are approximately 54. The Ray Nkonyeni Municipality joined the campaign a year after it was introduced by DAEA and the following year had Margate Beach declared a Blue Flag beach. The RNM is the second longest local authority in SA participating in the campaign and is second only to Nelson Mandela Bay Metro Council.

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

During the **2024-25** Blue Flag season the RNM has a total of 6 Blue Flag beaches. A further point worth mentioning is that KZN is the only province within SA that has Blue

Flag beaches for the entire 365 days of the year. Most other local authorities to the south only offer public BF beaches 2 to 4 months a year.

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

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

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

3.) Environmental Education Programs Blue Flag Requirements

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

HR Stats for Aquatic Safety:

Employees: Aquatic Safety					
TASK GRADE	2023/2024	2024/2025			
	Employees No.	Posts No.	Employees No.	Vacancies (Fulltime equivalents) No.	Vacancies (as a % of total posts) %
TG. 14 - 16	1	1	1	0	0%
TG. 9 - 13	2	4	2	2	50%
TG. 4 - 8	13	15	13	2	13%
TG. 3	23	33	21	12	
Total	39	53	37	16	30%

3.10 Special Programmes (Childcare, Aged care and Social Programmes)

Introduction

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

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

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

Projects:**Childcare:**

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

Aged care:

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

HIV/Aids Programmes:

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

Gender Programmes:

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

Financial Performance 2024-2025 for Special Programmes

Financial Performance 2024-25: Special Programmes				
R'000				
Details	2024-25			
	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	–	–	–	0
Expenditure:				
Employees	19 838	20 556	22 314	11%
Repairs and Maintenance	–	–	–	0
Other	15 094	15 808	20 508	26%
Total Operational Expenditure	34 932	36 365	42 822	18%
Net Operational Expenditure	34 932	36 365	42 822	18%
<i>Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and T Original Budget by the Actual.</i>				
				3.14.5

Capital Projects	
R' 000	
Details	2024-25
Original Budget	127 890
Adjusted	119 016
Actual	103 892

Capital Expenditure 2024-25 for Special Programmes

Capital Expenditure 2024-25: Special Programmes					
R' 000					
Capital Projects	2024-25				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	120	98	98	0	97642
SPG Computers	120	98	98	1	97642
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).</i>					
					<i>T 3.14.6</i>

Component E: Environmental Management & Signage Control

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

Introduction:

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

Environmental Compliance and Monitoring

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

During the 2024-25 financial year, there has been continuous monitoring at Margate beach, Nkongweni Lagoon as well as Ramsgate Beach, IBilanhlo Estuary. Monitoring has been done because of the ongoing issues which are being experienced at Margate and Ramsgate Beach (which are some of RNM's main socio- economic hubs). Audit reports and monthly reports submitted monthly contain detailed information.

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

Environmental education and awareness

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

Sector Plans

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

Nkongweni Estuarine Management Plan:

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

Development of Estuarine Management plans:

The Integrated Coastal Management Act (Act 24 of 2008) provides that local municipalities have an obligation to establish and implement Estuarine Management Plans, and it is for this reason that the RNM has allocated funding (2024/2025 financial year) for the development of Estuarine Managements for four more Estuaries. The Estuaries are Kaba Estuary, Koshwana Estuary, Bhuboyi Estuary, Vungu Estuary as well as the Development of the dune rehabilitation plan for the Ramsgate Dune.

Signage Control matters

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

HR Stats for Environmental Management & Signage Control

Employees: Environmental Management & Signage Control					
TASK GRADE	2023/2024	2024/2025			
	Employees No.	Posts No.	Employees No.	Vacancies (Fulltime equivalents) No.	Vacancies (as a % of total posts) %
TG. 14 - 16	1	1	1	0	0%
TG. 9 - 13	3	5	3	2	40%
TG. 4 - 8	1	1	1	0	0%
TG. 3	0	0	0	0	0%
Total	5	7	5	2	29%

Financial Performance 2024-2025 for Environmental Management & Signage Control

Financial Performance 2024-25: Environmental Management & Signage Control					R'000
Details	2024-25				
	Original Budget	Adjustment Budget	Actual	Variance to Budget	
Total Operational Revenue	–	–	–	–	
Expenditure:					
Employees	33,062	33,062	33,062	0%	
Repairs and Maintenance	–	–	–	–	
Other	1,275	1,350		0%	
Total Operational Expenditure	–	–	–	–	
Net Operational Expenditure	–	–	–	–	
<i>Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.</i>					<i>T 3.15.5</i>

Capital Expenditure 2024-2025 for Environmental Management & Signage Control

Capital Expenditure 2024-25: Environmental Management & Signage Control					
R' 000					
Capital Projects	2024-25				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	–	–	–	–	–
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i>					<i>T 3.15.6</i>

Component F: Security and Safety

3.12 Protection Services

1 LAW ENFORCEMENT

Manager: Superintendent T.S. Ngcaku

Contact: 039 – 688 2252 / 076 282 1277

Secretary: Mrs. Ntombifuthi Mzotho – 039 – 688 2284

Email: Sfiso.Ngcaku@rnm.gov.za / Ntombifuthi.Mzotho@rnm.gov.za

Services rendered:

- Bylaw Enforcement
- Traffic
- Crime Prevention

Zonal Sections: -

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

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

Law Enforcement Zone 3 Shelly Beach – Assistant Supt. M. Arumogam – 083 310 3834

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

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

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

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

2. MOTOR LICENCING BUREAU

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

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

Email: Stephen.Goldsmith@rnm.gov.za / Melanie.Modhamed@rnm.gov.za

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

Email: Sally.Naidoo@rnm.gov.za

Margate Licensing Office: Renewal of motor vehicle license only

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

Port Shepstone Registering Authority: Registration and Licensing of motor vehicles at Shepcor Business Centre 39 Bulwer Street Port Shepstone -

Services provided are: -

- Registration & Licensing of motor vehicles
- Application of duplicate registration certificate for motor vehicles
- Application for deregistration of motor vehicles
- Application for Temporary and Special Permits
- Change of Personal, Business and Motor Vehicle particulars
- Application of Traffic Register Number Certificate
- Contact numbers: 039 6882259, 039 6882260, 039 6882262, 039 6882267

Driving License Testing Centre -

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

Email: Merwyn.Moodley@rnm.gov.za

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

Email: Gladness.Mdletshe@rnm.gov.za

Services provided are: -

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

4. PUBLIC TRANSPORT & ADMINISTRATION

Manager: Superintendent R.W. Robinson

Physical Address: No. 3 Alexandra Road, Margate

Contact: 072 084 3128

Email: Robbie.Robinson@rnm.gov.za

Services Rendered are as follows: -

- Receives traffic fines payments
- Assists with representations on fines
- Assists with applications for disable parking discs
- Assists with taxis permits.
- Deals with Outstanding Warrants of Arrests on Traffic Fines
- Serves Summons that have not been paid
- Assists with general traffic fine & taxi permit queries
- Prepare Court Rolls for the Port Shepstone, Ramsgate, Umzumbe and Izingolweni courts

NB: Cashiers in Port Shepstone Shepcor Business Centre 39 Bulwer Street

NB: Cashiers in Margate Treasury Office

5. FIRE, RESCUE & DISASTER

Manager: Fire Chief Ms. Zandile Mbokazi

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

Contact Number: 039 - 688 2095 / 083 339 6740

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

Sea Slopes Fire Station

Fire Crew Margate Airport 039-312 8416/7

Emergency Number: 039-682 5555/039 6882099

Control Room works 24 hours & Firefighters work 24 hours

Services provided are: -

- Emergency Services

- Fire Rescue

- Disaster

- Control Room – reporting of incidents/accidents

Introduction:

The Law Enforcement section strives to serve and protect the Ray Nkonyeni community, by bylaw enforcement, traffic management and the prevention of crime.

We strive to work with community structures to enforce compliance, e.g., community safety forums, Community Policing Forums.

Law Enforcement Data			
	Details	2024/2025	
		Actual No.	
1	Warrants Served	264	
2	Amount Collected from Warrants	R 145 980.00	
3	Roadblocks Conducted	823	
4	Crime Prevention Campaigns Conducted	858	
5	SDBIP Targets:		
	5. 1. Bylaws	8 868	
	5. 2. Crime Prevention Operations Held	681	
	5. 3. Parking Fines	10 914	
	5. 4. Business Inspections	269	
	5. 5. Blue Flag Beaches	100%	
	5. 6. Rank Permits	86	
6	Addressing the shortage of Law Enforcement Members	Employed 30 Traffic Wardens	
7	Event Applications processed	96	
8	Businesses inspected	269	

**** Law Enforcement also has a shortage of vehicles as some vehicles are old and there are not enough vehicles as the Law Enforcement Member to car ratio.**

HR Stats for Law Enforcement

Employees: Law Enforcement Section					
TASK GRADE	2023/2024	2024/2025			
	Employees No.	Posts No.	Employees No.	Vacancies (Fulltime equivalents) No.	Vacancies (as a % of total posts) %
Superintendent: TG. 15	1	1	1	0	0%
Assistant Superintendent: TG. 11	7	7	7	0	0%
Senior Traffic Officer: TG. 10	12	15	12	3	20%
Traffic Officer: TG. 09	28	34	28	6	18%
Traffic Warden: TG. 06	63	93	63	30	32%
Total	111	150	111	39	26%

Financial Performance 2024-2025 for Law Enforcement

Financial Performance 2024-25: Law Enforcement R'000				
Details	2024-25			
	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	–	–	–	–
Expenditure:				
Police Officers				
Other employees	20 704	28 730	30 955	(10 251)
Repairs and Maintenance	–	–	–	–
Other	641	330	260	380
Total Operational Expenditure	21 345	29 060	31 215	(9 870)
Net Operational Expenditure	21 345	29 060	31 215	(9 870)
<i>Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.</i>				
				<i>T 3.20.5</i>

Capital Expenditure 2024-2025 for Law Enforcement

Capital Expenditure 2024-25: Law Enforcement R' 000					
Capital Projects	2024-25				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	0	0	0	0	0
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).</i>					
					<i>T 3.20.6</i>

3.14 Fire C Disaster Management

Introduction

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

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



NUMBER OF INCIDENTS RESPONDED TO: FROM JULY 2024 TO JUNE 2025

INCIDENT S	July . 24	Aug . 24	Sept . 24	Oct . 24	Nov . 24	Dec . 24	Jan . 25	Feb . 25	Mar.25	Apr.25	Ma y 25	Jun e 25	
MVAs	35	51	44	45	32	21	19	18	21	46	35	35	
Structure Fires	13	23	09	13	09	10	05	10	07	04	07	14	
Veld fires	132	105	29	15	04	03	10	11	08	03	16	32	
Fallen trees	03	09	14	13	18	12	09	06	05	18	02	01	
Vehicle on fire	03	05	0	02	05	03	02	03	02	0	03	05	
Spillages	01	01	01	01	02	0	0	0	0	04	0	0	
Disaster incidents	0	0	0	0	0	0	0	04	01	0	0	113	
Drowning	0	0	0	0	01	0	0	01	0	0	02	0	
Near drowning	0	0	0	0	01	0	01	0	0	0	0	0	
Other	05	04	01	4	09	7	03	01	04	02	03	02	
TOTAL	192	198	98	93	81	56	49	54	48	77	68	202	121
													6

NUMBER OF INSPECTIONS CONDUCTED FROM JULY 2024 TO JUNE 2025

Targets	July 2024	Aug 2024	Sep 2024	Oct. 2024	Nov 2024	Dec 2024	Jan. 2025	Feb 2025	Mar. 2025	Apr. 2025	May 2025	Jun 2025	TOTAL
INSPECTIONS	24	48	26	49	24	46	30	34	33	40	30	20	404

DISASTER RISK REDUCTION AWARENESS PROGRAMMES JULY 2024 TO JUNE 2025

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

HR Stats for Fire & Disaster Management

Employees: Fire & Disaster Management					
TASK GRADE	2023/2024	2024/2025			
	Employees No.	Posts No.	Employees No.	Vacancies (Fulltime equivalents) No.	Vacancies (as a % of total posts) %
TG. 14 - 16	1	1	1	0	0%
TG. 9 - 13	33	36	33	3	8%
TG. 4 - 8	21	25	23	2	8%
TG. 3	1	1	1	0	0%
Total	56	63	58	5	8%

Financial Performance 2024-2025 for Disaster Management

Financial Performance 2024-25: Disaster Management R'000				
Details	2024-25			
	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	176	176	139	37
Expenditure:				
Fire fighters	22,442	23,029	24,851	10%
Other employees	—	—	—	—
Repairs and Maintenance	3,161	2,861	2,428	-30%
Other	1,073	226	181	-494%
Total Operational Expenditure	(897)	(50)	(42)	-2047%
Net Operational Expenditure	1,073	226	181	-494%
<i>Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.</i>				
T 3.21.5				

Capital Expenditure 2024-2025 for Disaster Management

Capital Expenditure 2024-25: Disaster Management					
R' 000					
Capital Projects	2024-25				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	4600	2300	–	0%	
Control Room Software	500	300	–	0%	
CCTV Microwave linking	1500	–	–	0%	
Fire Fighting Furniture And Equipment	600	–	–	0%	
Installation Of CCTV Cameras	2000000,00	2000000,00	-		
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i>					<i>T 3.21.6</i>

3.14 Motor Licensing and Testing Centre

Introduction:

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

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

MLB & DLTC data			
	Details	2023 – 2024	2024 - 2025
		Actual No.	
1	Total motor vehicles tested for road worthiness	**None	**None
2	Average turnout time for motor vehicle inspections	**None	**None
3	Total learner's licenses processed	7157	5617
4	Total driver's licenses processed	2728	2396
5	Total driver's licenses renewed	15925	12632
6	Total motor vehicle permits issued	2785	2548
7	Total motor vehicle licenses renewed	68097	56314
8	Average turnout time – learner's licenses	3 hours	3 hours
9	Average turnout time – driver's licenses	3-4 Weeks	4-6 Weeks

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

HR Stats for Motor Licensing Bureau (Incl. DLTC)

Employees: Motor Licencing Bureau (Incl DLTC)					
TASK GRADE	2023/2024	2024/2025			
	Employees No.	Posts No.	Employees No.	Vacancies (Fulltime equivalents) No.	Vacancies (as a % of total posts) %
TG. 14 - 16	1	1	1	0	0%
TG. 9 - 13	7	7	7	0	0%
TG. 4 - 8	21	27	17	10	37%
TG. 3	1	4	1	3	75%
Total	30	39	26	13	33%

Component G: Sport and Recreation

3.15 Sport and Recreation

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

The municipality has supported the Department of Sports, Arts and Culture in ensuring that sports development programmes are facilitated within local communities. The youth development unit has re-launched the sports confederation in 2023 and it is still functional. The municipality also participated in 2024 Salga games under the banner of UGU district with Netball and Basketball.

The municipality supports all local sports leagues. Ray Nkonyeni has participated on nine sporting codes (Netball, Soccer, Female Soccer, Volleyball, Ladies Volleyball, Indigenous games, Chess, Karate, Athletics) at UGU District Mayoral Cup games held on 12 July 2025 at UGU Sports and Leisure Centre. Ray Nkonyeni got an overall winner award with six sporting codes becoming champions. These games were also used to select teams for Salga games 2025 which will be held in December at Umgungundlovu District Municipality. In celebrating the youth month, various sports activities take place in different wards. The RNM Youth month sporting events are the annual events that are hosted in the month of June. The main purpose of the games is to encourage the youth to participate in sports activities and to honour all fallen heroes who lost their lives during the times of struggle. These events have been successfully hosted by the municipality for more than a decade. The youth day commemoration also serves as a platform to communicate with the youth and to showcase the talent that we have. These events include; Ward 27 Tournament held at Bhambayi sports field on 16 June 2025.

Component H: Corporate Policy Offices and Other Services

3.16 Executive and Council

Introduction

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

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

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

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

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

The Integrated Development plan, and performance management functions are duties of this Department that require immense public engagement to ensure that the

Municipality is planning and reporting based on community needs. The Department therefore ensures the accountability of the Municipality to the community and continues to find ways of improving its services which will lead to better service delivery.

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

The Customer Care and Stakeholder Relations plays a pivotal role in ensuring that the Municipality enhances its customer care focus, these are some of the tasks the section is responsible for: Switchboard operations; Collating telephone calls and instrument costs; Compiling of database on all complaints received from the community regarding service delivery; Distribution of complaints to the relevant departments; and Responding to complainants once feedback has been received from relevant departments. The Municipality through this section launched its Customer Services Charter and has seen increased positive feedback from the community.

HR Stats for Public Safety (Incl. Operations and Administration)

Employees: Public Safety (Incl. Operations and Administration)					
TASK GRADE	2023/2024	2024/2025			
	Employees No.	Posts No.	Employees No.	Vacancies (Fulltime equivalents) No.	Vacancies (as a % of total posts) %
TG. 14 - 16	2	2	2	0	0%
TG. 9 - 13	49	60	51	9	15%
TG. 4 - 8	51	105	63	42	40%
TG. 3	2	2	2	0	0%
Total	104	169	118	51	30%

Financial Performance 2024-2025 for The Executive and Council

Financial Performance 2024- 25: The Executive and Council R'000				
Details	2024-25			
	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	302 729	302 729	302 729	0%
Expenditure:				
Employees	490	558	533	8%
Repairs and Maintenance	500	100	45	-1002%
Other	24 847	23 835	20 858	-19%
Total Operational Expenditure	25 837	24 493	21 437	-21%
Net Operational Expenditure	276 892	278 236	281 292	2%
<i>Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.</i>				
T 3.24.5				

Capital Expenditure 2024-2025 for The Executive and Council

Capital Expenditure 2024-25: The Executive and Council					
R' 000					
Capital Projects	2024-25				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	–	–	–	–	
SPG Furniture and Equipment	127	15	–		
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).</i>					
					T 3.24.6

3.17 Financial Services (Treasury)

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

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

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

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

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

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

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

The Valuation Appeal Board is active and effective. The board attends to all municipal tender objections or appeals lodged with the municipality during the financial year.

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

Details	Debt Recovery				
	2023-24		2024-25		
	Actual accounts billed in year	Proportion of accounts value billed that were collected in the %	Billed in the year	Actual for accounts billed in the year	Proportion of accounts value billed that were collected%
Property rates	497 655	100.00%	511 029	532 624	104%
Electricity Billing	214 618	11.00%	207 168	225 509	109%
Refuse	57 384	92.00%	72 680	64 628	89%
Other	30 190	143.00%	10 128	7 436	73%

HR Stats for Treasury (Incl. Fleet Management)

Employees: Treasury (Incl. Fleet Management)					
TASK GRADE	2023/2024	2024/2025			
	Employees No.	Posts No.	Employees No.	Vacancies (Fulltime equivalents) No.	Vacancies (as a % of total posts) %
TG. 14 - 16	4	5	4	1	20%
TG. 9 - 13	27	33	28	5	15%
TG. 4 - 8	45	57	45	12	21%
TG. 3	0	0	0	0	0%
Total	76	95	77	18	19%

Financial Performance 2024-2025 for Financial Services (Treasury)

Financial Performance 2024-25: Financial Services (Treasury)					
R'000					
Details	2023-24	2024-25			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	555691	584848	587 273	586475	0%
Expenditure:					
Employees	60711	65507	69 998	59592	-10%
Repairs and Maintenance	—	—	—	—	0%
Other	99498	79042	88 455	103538	24%
Total Operational Expenditure	160209	144549	158 452	163130	11%
Net Operational Expenditure	395482	440299	428 821	423345	-4%
<i>Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.</i>					
T 3.25.5					

Capital Expenditure 2024-2025 for Financial Services (Treasury)

Capital Expenditure 2024-25: Financial Services (Treasury)					
R' 000					
Capital Projects	2024-25				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	10	10	30 244	100%	30244174
					0
Heritage Assets 2020	0	0	62100	100%	62100
Expenditure Computer Assets	0	0	641802	100%	641802
Budget & Treasury: Computer Assets	100000	380000	2402049	96%	2402049
SCM Computers	100000	100000	602947	83%	602947
SCM: Furniture and Office Equipment	50000	50000	213029	77%	213029
Budget & Reporting Furniture and Equipment	45000	45000	20600	-118%	20600
CFO Furniture	50000	50000	0		0
Asset & Fleet Management Furniture and Equipment	15000	15000	0		0
Revenue Furniture And Equipment	20000	20000	2174	-820%	2174
Expenditure Furniture And Equipment	40000	40000	37292	-7%	37292
Expenditure Furniture And Equipment	0	0	67789	100%	67789
SCM Industrial Shredder	0	0	0		0
Asset & Fleet Management Machinery and Equipment	10	10	2	-479%	1726
Asset - Finance Lease	–	–	30 242	100%	30242448
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).</i>					<i>T 3.25.6</i>

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

Legal Services: The unit is responsible for all legal administration involving the municipality, reviewing of by-laws, Policies, Agreements as and when requested to do so by the various Departments, management of litigation, claims, Legal Advising, Drafting Legal Documents/legal correspondence, assistance with dispute resolution, legal support services.

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

3.20 Information and Communication Technology (ICT) Services

Introduction

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

RNM ICT is responsible for provision of the following:

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

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

- Upgraded Antivirus to latest version
- Upgraded Backup software to latest version.
- Web Site Development
- Resolved all AG queries.
- Local area network upgrade-Fiber Installations: Technology Hub, Margate, Wellness Centre, Caddies and Southbroom
- Bulwer Street – Public Safety – Traffic Fines and Motor Licensing – new network
- Implementation of GFI Lan Guard – Network monitoring
- Salaries Server upgrades
- Financial Server upgrades
- Recommission DNS servers
- Upgrade of Network Switches
- Review of IT policies
- Implementation of firewall policy
- Disaster Recovery Testing
- Upgrade to email/internet filtering
- Office 365 migration
- Deployment of Councilor devices/Training
- Workshops and Conferences

HR Stats for Information Communication Technology (ICT)

Employees: Information Communication Technology (ICT)					
TASK GRADE	2023/2024	2024/2025			
	Employees No.	Posts No.	Employees No.	Vacancies (Fulltime equivalents) No.	Vacancies (as a % of total posts) %
TG. 14 - 16	1	1	1	0	0%
TG. 9 - 13	7	8	7	1	13%
TG. 4 - 8	1	1	1	0	0%
TG. 3	0	0	0	0	
Total	9	10	9	1	10%

Financial Performance 2024-2025 for Information Technology Services

Financial Performance 2024 - 25: Information Technology Services R'000				
Details	2024 -25			
	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	—	—	—	—
Expenditure:				
Employees	555 6	7 600	8 060	19%
Repairs and Maintenance	100	50	10	-922%
Other	086 8	8 088	7 771	-4%
Total Operational Expenditure	741 14	15 738	15 841	7%
Net Operational Expenditure	(14 741)	(15 738)	(15 841)	7%
<i>Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.</i>				
				<i>T 3.27.5</i>

Capital Expenditure 2024-2025 for Information Technology Services

Capital Expenditure 2024 - 25: Information Technology Services					
R' 000					
Capital Projects	2024 - 25				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	500 6	593 2	–	0%	
I T Equipment	500 3	753 1	–	0%	
I T Equipment	000 1	840	–	0%	
Office Buildings Solar Panels	000 2	–	–	0%	
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i>					
					<i>T 3.27.6</i>

3.21 Meetings, Administration and Registry services

Introduction

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

Administration:

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

Meetings unit:

- Preparation and distribution of agendas.
- Minuting of meetings.
- Circulation of action sheets and resolution monitoring list;
- Preparations for Executive Committee; Council, portfolio committee; sub-committee and bid committee meetings
- Provision statutory (auxiliary) and administrative support to Council and its committees.
- Provision of certified resolutions; and
- Commissioner of Oath Services

Records Management unit:

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

Courier Services

- Collection of mail – internally and externally
- Documenting and circulation of all mail

HR Stats for Administration (Meetings, Registry and Auxiliary Services)

Employees: Administration (Meetings, Registry and Auxiliary Services)					
TASK GRADE	2023/2024	2024/2025			
	Employees No.	Posts No.	Employees No.	Vacancies (Fulltime equivalents) No.	Vacancies (as a % of total posts) %
TG. 14 - 16	1	1	1	0	0%
TG. 9 - 13	8	8	8	0	0%
TG. 4 - 8	6	6	6	0	0%
TG. 3	3	4	3	1	25%
Total	18	19	18	1	5%

3.22 Employee wellness

Introduction

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

Wellness Centre

Description	Jan – Mar 2024	April – June 2024	July – Sep 2024	Oct – Dec 2024	Jan – Mar 2025
Consultations	Consulted with 455 employees	Consulted with 582 employees	Consulted with 352 employees	Consulted with 400 employees	Consulted with 401 employees
Acute and Chronic Diseases	Consulted with 155 employees on Minor ailments	Consulted with 184 employees on Minor ailments	Consulted with 171 employees on Minor ailments and	Consulted with 145 employees on minor	Consulted with 131 employees on minor

Description	Jan – Mar 2024	April – June 2024	July – Sep 2024	Oct – Dec 2024	Jan – Mar 2025
	and 04 chronic for the month of January 2024. Consulted with 180 employees on Minor ailments and 5 chronic for the month of February 2024. Consulted with 120 employees on Minor ailments and 2 chronic for the month of March 2024.	and 4 chronic for the month of April 2024. Consulted with 234 employees on Minor ailments and 8 chronic for the month of May 2024. Consulted 164 employees on Minor ailments and 5 chronic for the month of June 2024.	7 chronic for the month of July 2024. Consulted with 105 employees on Minor ailments and 8 chronic for the month of August 2024. Consulted with 76 employees on Minor ailments and 3 chronic for the month of September 2024.	ailments and 10 chronic for the month of October 2024. Consulted with 134 employees on minor ailments and 4 chronic for the month of November 2024. Consulted with 121 employees on minor ailments and 6 chronic for the month of December 2024.	ailments and 10 chronic for the month of January 2025. Consulted with 152 employees on minor ailments and 10 chronic for the month of February 2025. Consulted with 118 employees on minor ailments and 6 chronic for the month of March 2025.
Referrals	0 employees were referred in the month of January 2024. 8 Referrals were made in the month of February 2024.	5 referrals for the month of April 2024. 3 referrals on the month of May 2024. 3 referrals on the month of June 2024.	3 referrals for the month of July 2024. 4 referrals for the month of August 2024. 01 referrals for the month of	2 referrals on the month of October 2024. 1 referral on the month of November 2024. 3 referrals on the	02 referrals on the month of January 2025. 1 referral on the month of February 2025.

Description	Jan – Mar 2024	April – June 2024	July – Sep 2024	Oct – Dec 2024	Jan – Mar 2025
	2 referrals in the month of March 2024.		September 2024.	month of December 2024.	3 referrals on the month of March 2025.
Awareness campaigns	Health awareness campaigns were conducted on the 11 th to 20 th March 2024.	Conducted ongoing Medicals to all employees who were appointed from 2013 up till date for April – June 2024.	Health awareness hosted the “RNM- We are human social issues affecting us” on 12 th September 2024.	Municipal Strike	Municipal Strike
EAP Consultations	Consulted with 13 employees for psycho-social support.	Consulted with 25 employees for psycho-social support	Consulted with 18 employees for psycho-social support.	Consulted with 14 employees for psycho-social support	Consulted with 12 employees for psycho-social support.
EAP Referrals	0 referrals in the months of Jan-March 2023 to an external provider.	0 referrals in the month April 2024 to an external appointed therapist 0 referrals in the month of May 2024 to an external appointed therapist	0 referrals in the month July 2024 to an external appointed therapist 0 referrals in the month August 2024 to an external appointed therapist 4 referrals to an external	0 referrals in the month of October 2024 to an external appointed therapist 0 referral in the month of November 2024 to an external appointed therapist.	0 referrals in the month of January 2025 to external appointed therapist. 0 referrals in the month of February 2025 to external

Description	Jan – Mar 2024	April – June 2024	July – Sep 2024	Oct – Dec 2024	Jan – Mar 2025
		0 referrals in the month June 2024 to an external appointed therapist	appointed therapist and 02 employees referred for rehabilitation in the month of September 2024.	0 referral in the month of December 2024 to an external appointed therapist.	appointed therapist. 0 referrals in the month of March 2025 to external appointed therapist.
EAP Workshops	EAP Workshop (Financial Awareness) was conducted on the 11 th to 20 th March 2025.	EAP Financial awareness was conducted on the 10 th of April 2024.	EAP Wellness hosted the Heritage Day Celebration for all RNM employees and Councillors on the 26 th of September 2024.	Municipal Strike	Municipal Strike
Social support	Social support was conducted for One (1) employee in January 2024. Social support was conducted for One (1) employee	Social support was conducted for Zero (0) employees in April 2024. Social support was conducted for Zero (0)	Social support was conducted for Zero (0) employees in July 2024. Social support was conducted for Zero (0) employees in August 2024.	Social support was conducted for one (01) employee in October 2024. Social support was conducted for Zero	Social support was conducted for Zero (0) employees in January 2025. Social support was conducted for Zero (0)

Description	Jan – Mar 2024	April – June 2024	July – Sep 2024	Oct – Dec 2024	Jan – Mar 2025
	in February 2024. Social support was conducted for Zero (0) employees in March 2024.	employees in May 2024. Social support was conducted for Zero (0) employees in June 2024.	Social support was conducted for Zero	(0) employees in November 2024. Social support was conducted for one (01) employee in December 2024.	employees in February 2025. Social support was conducted for one (01) employee in March 2025.

HR Stats for Employees' Wellness & Labour Relations

Employees: Employee Wellness & Labour Relations					
TASK GRADE	2023/2024	2024/2025			
	Employees No.	Posts No.	Employees No.	Vacancies (Fulltime equivalents) No.	Vacancies (as a % of total posts) %
TG. 14 - 16	1	1	1	0	0%
TG. 9 - 13	4	4	4	0	0%
TG. 4 - 8	0	1	0	1	100%
TG. 3	0	0	0	0	
Total	5	6	5	1	17%

Financial Performance 2024-2025 for Employee Wellness

Financial Performance 2024-25: Employee Wellness R'000					
Details	2023-24	2024-25			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	–	–	–	–	0
Expenditure:					
Employees	147 2	2232	2519	2520	0,11
Repairs and Maintenance	–	–	–	–	
Other	3 114	3879	3661	3140	-0,24
Total Operational Expenditure	5 261	6110	6180	5661	-0,08
Net Operational Expenditure	5 261	6110	6180	5661	-0,08
<i>Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.</i>					
					<i>T 3.17.5</i>

HR Stats for Corporate Services (Incl. Human Resources and Estates Administration)

Employees: Corporate Services (Incl. Human Resources and Estates Administration)					
TASK GRADE	2023/2024	2024/2025			
	Employees No.	Posts No.	Employees No.	Vacancies (Fulltime equivalents) No.	Vacancies (as a % of total posts) %
TG. 14 - 16	2	3	2	1	33%
TG. 9 - 13	6	6	6	0	0%
TG. 4 - 8	8	9	8	1	11%
TG. 3	1	1	1	0	0%
Total	17	19	17	2	11%

Financial Performance 2024-2025 for Corporate Services

Financial Performance 2024-25: Corporate Services R'000				
Details	2024-25			
	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	–	–	853	100%
Expenditure:				
Employees	15 066	17 289	18 679	19%
Repairs and Maintenance	–	–	–	
Other	24 731	20 554	18 339	-35%
Total Operational Expenditure	39 797	37 843	37 017	-8%
Net Operational Expenditure	(39 797)	(37 843)	(36 165)	-10%
<i>Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.</i>				
				<i>T 3.26.5</i>

Capital Expenditure 2024-2025 for Corporate Services

Capital Expenditure 2024 - 25: Corporate Services					
R' 000					
Capital Projects	2024 - 25				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	300	100	–	–	
Admin and Corp Management Services Furniture And Equipment	100	100	–	0%	
Voice Recorder	200	–	–	0%	
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).</i>					
T 3.26.6					

Component I: Organisational Performance Scorecard

3.23 Organisational Performance Scorecard

According to the Municipal Systems Act (Act 32 of 2000), sec 46 requires that A municipality must prepare for each financial year a performance report reflecting,

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

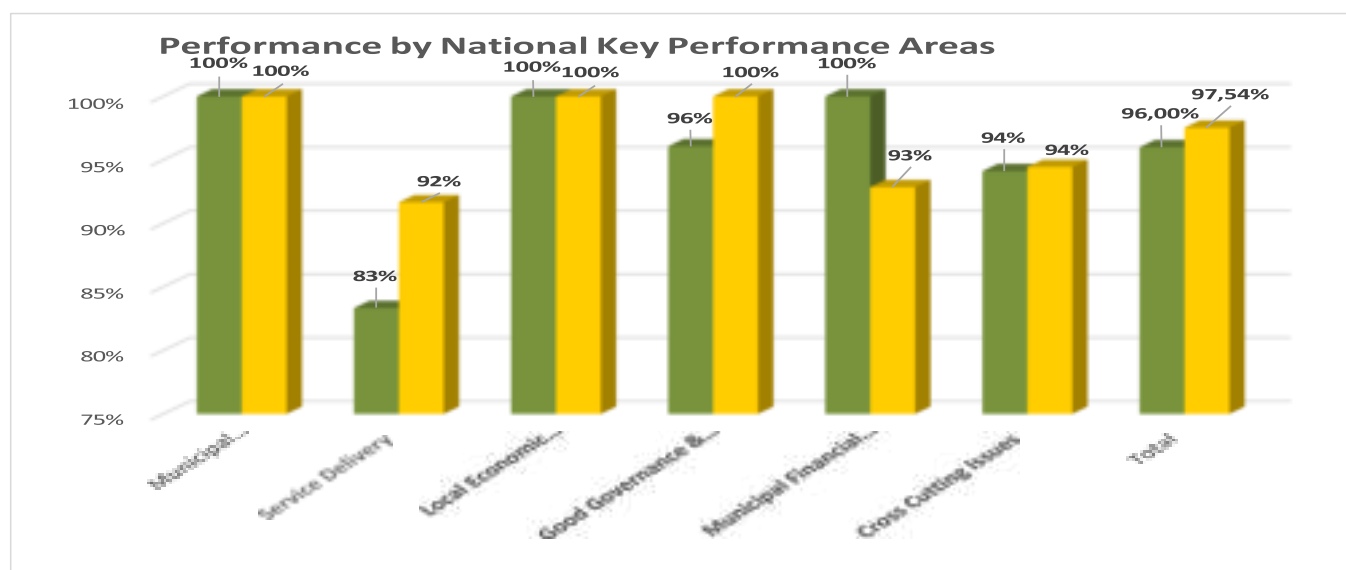
In agreement with legislation the Ray Nkonyeni Municipality has prepared an annual performance report which illustrates the performance of its predetermined objectives and targets both on the departmental and the organizational level.

The table and the graph below illustrate the summary of overall performance of the Municipality for the financial year ending 30 June 2025. Overall, the performance of the Ray Nkonyeni Municipality has experienced a marginal decline from **98%** to **96%** between the 2023/2024 and 2024/2025 financial year.

Performance by National Key Performance Areas

National Key Performance Areas	No. of targets	No. Achieved	No. not achieved	2024-25 % Achieved	2023-24% Achieved
Municipal Transformation & Organisational Development	12	12	0	100%	100%
Service Delivery	12	10	2	83%	92%
Local Economic Development	12	12	0	100%	100%
Good Governance & Public Participation	51	49	2	96%	100%
Municipal Financial Viability & Management	14	14	0	100%	93%
Cross Cutting Issues	17	16	1	94%	94%
Total	118	113	5	96%	97,54%

The bar graph below depicts the KPA performance for the year 2024-2025:



1. SERVICE DELIVERY

INDICATOR	CHALLENGES	CORRECTIVE MEASURE
Number of bridge structures constructed	Nkangeni Vehicular Bridge project in Ward 25 had rain delays and could not be completed by 15 January 2025 as planned, contractor suffered further delays and applied for a further extension of time.	Nkangeni Bridge extension of time lapsed on 4th June 2025, and the contractor has submitted an intention to claim for further extension of time due to cashflow challenges they faced which delayed the completion of the project. The anticipated completion will be at the end of August 2025.
Number of community facilities built.	1. Tatane Sportsfield was delayed due to rain. The contractor was further faced with financial challenges which delayed the completion of the project in July 2025. 2. Margate Hall was delayed due to foundation design change. These financial challenges caused further delays which led to them not finishing the hall in the first quarter. 3. Mhlabunzima Hall Renovations delays experienced in the appointment of the contractor.	1. Tatane Sportsfield, contractor, applied for extension of time till end of July 2025, due to financial challenges the project was delayed, and the practical completion certificate was only issued on the 24th of November 2025. 2. Margate Hall, the project will be done in Q1 of the next financial year, extension of time lapses on 12th December 2025, the contractor is yet to apply for another extension of time due to cashflow problems they are currently facing.

INDICATOR	CHALLENGES	CORRECTIVE MEASURE
		3.Mhlabunzima Hall, site handover was only done in May 2025, project is nearing completion, the practical completion is planned for 15th December 2025 due to some minor cashflow delays they had suffered

2. GOOD GOVERNANCE AND PUBLIC PARTICIPATION

INDICATOR	CHALLENGES	CORRECTIVE MEASURE
Number of schools that benefitted from the back-to-school campaign (Uniform, sanitary towels and stationery)	Procurement processes were delayed.	Campaigns will commence next financial year (2025/26)
Number of Walking sticks issued to the Elderly	An email was sent by the accounting officer stating that all procurements must be put on hold until further notice, to accommodate the arbitration award.	Communication was sent to the accounting officer requesting directive to continue with projects. The project was not approved by the accounting officer due to the fact that the funds were redirected towards staff compensation after the arbitration award, however this project is budgeted for the next financial year 2025/2026.

3. CROSS CUTTING ISSUES

INDICATOR	CHALLENGES	CORRECTIVE MEASURE
Number of compliance Audits conducted on Oatland Landfill site management	The appointed Engineer did not fulfill his obligation. Currently awaiting quotations from Environmental Companies to conduct the audit.	The municipality is awaiting quotations for conducting the External Audit.

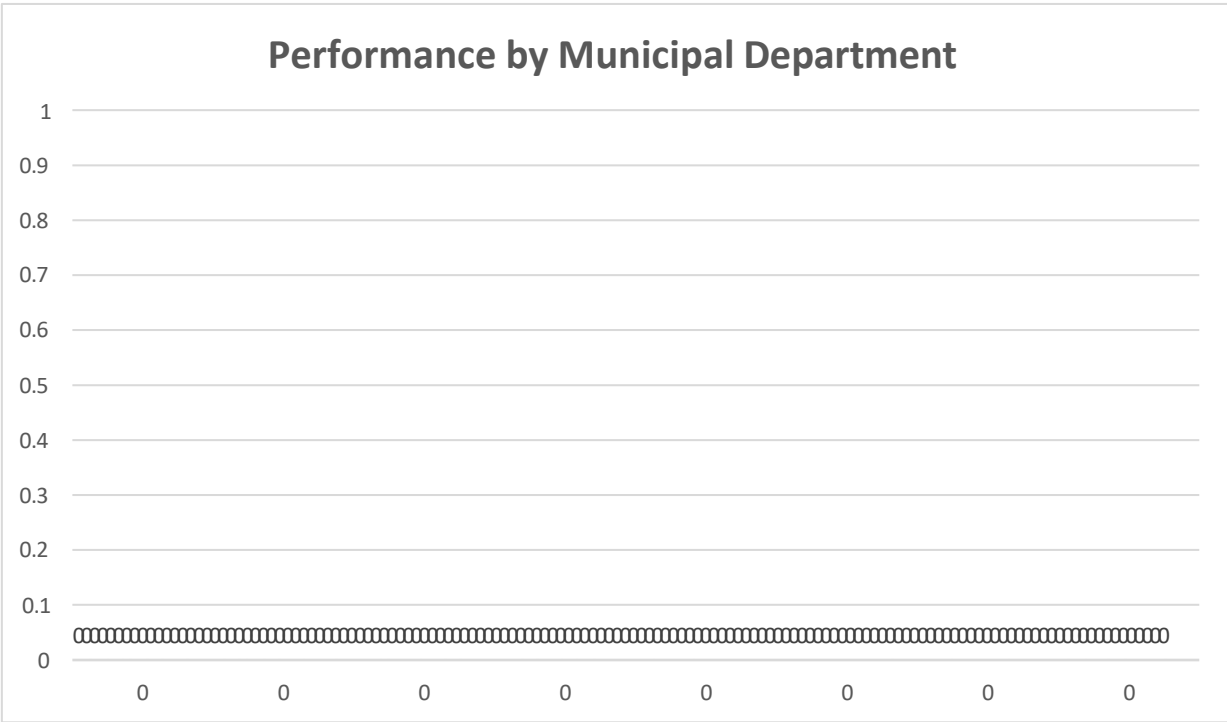
MUNICIPAL DEPARTMENTAL PERFORMANCE:

The following table indicates the performance of the municipality per department.

Performance by Municipal Departments

Municipal Department	No. of targets	No. Achieved	No. not achieved	2024-25 % Achieved	2023-24% Achieved
Corporate Services	11	11	0	100%	100%
Community Services	16	15	1	94%	100%
Strategic Planning & Governance	16	14	2	88%	100%
Treasury	19	19	0	100%	95%
Public Safety	23	23	0	100%	100%
Development Planning Services	20	20	0	100%	95%
Technical Services	13	11	2	85%	93%
Total	118	113	5	96%	97,54%

The bar graph below depicts the Departmental performance for the year 2024-2025:



For a detailed Annual Performance Report, see page C7C (Annexure C)

Component A: Introduction to the Municipal Personnel

4.1 Employee Totals, Turnover and Vacancies

EMPLOYEES				
Description	2024/2025			
	Approved posts no.	Employees no.	Vacancies no.	Vacancies %
Office of the MM (Incl SPG, Legal & Internal Audit)	57	45	12	21.05%
Corporate Services (Incl. HR and Estates)	19	17	2	10.53%
Treasury (Incl Fleet Management)	95	77	18	18.95%
ICT	10	9	1	10.00%
Meetings Administration	19	18	1	5.26%

EMPLOYEES				
Description	2024/2025			
	Approved posts no.	Employees no.	Vacancies no.	Vacancies %
Arts & Cultural Services	96	77	19	19.79%
Cemeteries & Crematoriums (including waste min)	35	21	14	40.00%
Environmental Management	7	5	2	28.57%
Employee Wellness & Labour Relations	6	5	1	16.67%
Public Safety (Incl. Operations & Administration)	169	118	51	30.18%
Fire & Disaster Management	63	58	5	7.94%
Aquatic Safety	53	37	16	30.19%
Technical Services (Incl. Projects Management & Facilities Management)	36	24	12	33.33%
Community Services (incl. Waste Management and Cleansing)	445	290	155	34.83%
Development Planning (Incl. Strategic Planning, Building Control, Town Planning,)	43	33	10	23.26%
Local Economic Development (incl. Aviation, technology Hub and LED)	33	24	9	27.27%
Human Settlements	9	7	2	22.22%
ISD	0	0	0	0.00%
Electricity & Mechanical Engineering	50	44	6	12.00%
Roads and storm waster	174	118	56	32.18%

EMPLOYEES				
Description	2024/2025			
	Approved posts no.	Employees no.	Vacancies no.	Vacancies %
Motor Licencing Bureau (Incl DTLC)	39	26	13	33.33%
Totals	1458	1053	405	27.78%

Turn-over Rate			
Details	Total employees at the beginning of Financial year No.	Terminations during the Financial Year No.	Turn-over Rate
2024/2025	1056	34	3.22%

Component B: Managing the Municipal Workforce

4.2 Policies

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

HR Policies and Plans			
	Name of policy	Completed %	Reviewed %
14	Exit Management Policy	100%	0%
15	Individual Performance Management Policy	100%	0%
16	Induction Policy	100%	0%
17	Probation Policy	100%	0%

Performance Rewards

The Municipal Manager (MM) and Head of Departments (S57) receive performance bonuses based on their performance contracts and how they performed with regards to their scorecards and ratings as per their performance contract. For the 2024-2025 financial year the performance reviews were conducted on the 09th of June 2025 and performance bonuses were awarded to the qualifying Heads of Departments and Municipal Manager.

Component C: Capacitating the Municipal Workforce

Development and Training Skills

Skills Matrix										
Management Level	Gender	Employees in Post as of 30 June 2025	Number of skilled employees required and actual as at 30 June 2025							
			Learnerships		Skills programmes & other short courses		Other forms of training		Total	
		No.	Actual 2024-25	Target 2024-25	Actual 2024-25	Target 2024-25	Actual 2024-25	Target 2024-25	Actual 2024-25	Target 2024-25
MM & S57	Male	6	0	0	0	5	0	5	0	05
	Female	0	0	0	0	0	0	0	0	00

Councilors, senior officials and managers	Male	59	0	0	6	27	6	8	1	26
	Female	48	0	0	2	20	1	12	0	25
Technicians and associate Professionals	Male	41	0	0	6	5	0	0	0	05
	Female	19	0	0	8	3	0	0	8	03
Professionals	Male	23	0	0	5	17	5	5	5	23
	Female	39	0	0	4	5	7	5	11	11
Sub total	Male	129	0	0	17	54	11	16	6	59
	Female	108	0	0	15	30	8	13	20	41
Total		237	0	0	32	84	19	29	26	112

Financial Competency Development: Progress Report						
Description	(A)Total number of officials employed by municipality	(B) Total number of officials employed by municipal entities	Consolidated: Total A & B	Consolidated: Competency assessments completed for A & B	Consolidated : Total number of officials whose performance agreements comply with regulation 16	Consolidated: Total number of officials that meet prescribed competency levels
Financial Officials						
Accounting Officer	1	0	1	1	1	1
Chief Financial Officer	1	1	0	1	1	1
Head of Department	6	0	6	6	6	6

Any other financial officials	0	0	0	0	0	0
Supply Chain Management Officials	0	0	0	0	0	0
SCM Managers	1	0	1	1	1	1
Total	9	0	9	9	9	9

Skills Development Expenditure								
R								
Management Level	Gender	Employees in Post as at 30 June 2025	Original Budget and Actual Expenditure on Skills Development 2024-25					
			Skills programmes & other courses		Other forms of training		Total	
		No.	Original Budget	Actual	Original Budget	Actual	Original Budget	Actual
MM & S57	Male	6	120000	0	120000	40000	240000	40000
	Female	2	40000	30000	20000	0	60000	30000
Councilors, senior officials and managers	Male	70	100000	0	100000	24330	200000	-
	Female	31	100000	0	100000	0	200000	-
Technicians and associate Professionals	Male	41	70000	43391	-	-	70000	43391
	Female	19	30000	57854	-	-	30000	57854
Professionals	Male	23	40000	36980	70000	0	110000	36980
	Female	39	40000	24550	90000	11000	130000	31550
Sub total	Male	131	330000	52081	290000	64330	420000	120371
	Female	103	210000	112404	21000	11000	240000	119404
Total		226	540000	164485	500000	75330	660000	239775

Chapter 5 – Financial Performance

Component A: Statements of Financial Performance

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

Description	2023/24	Budget Year 2024/25							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Financial Performance									
Property rates	507 017	532 893	532 890	342	532 624	532 890	(227)	0%	532 890
Service charges	250 437	278 556	278 503	17 213	258 647	278 503	(19 856)	-7%	278 503
Investment revenue	11 814	11 916	13 220	466	11 068	13 220	(2 153)	-16%	13 220
Transfers and subsidies - Operational	360 186	324 686	368 500	-	350 111	368 500	(18 389)	-5%	368 500
Other own revenue	169 209	122 121	106 447	6 334	65 008	109 447	(14 440)	-13%	-
Total Revenue (excluding capital transfers and contributions)	1 328 673	1 279 162	1 369 520	24 236	1 247 457	1 302 320	(55 864)	-4%	1 302 320
Employee costs	460 606	497 297	548 736	45 475	552 965	548 736	4 129	1%	548 736
Remuneration of Councilors	40 275	34 185	34 988	2 943	35 322	34 988	334	1%	34 988
Depreciation and amortisation	127 542	167 839	167 839	-	81 878	167 839	(85 961)	-51%	167 839
Interest	23 734	11 818	10 818	420	1 788	10 818	(9 030)	-83%	10 818
Inventory consumed and bulk purchases	155 601	166 532	166 466	26 870	169 281	166 466	2 815	2%	166 466
Transfers and subsidies	18 284	17 133	15 811	1 140	13 985	15 811	(1 825)	-12%	15 811
Other expenditure	492 302	414 894	462 206	38 774	387 038	462 206	(75 168)	-16%	462 206
Total Expenditure	1 338 364	1 249 698	1 347 014	115 622	1 252 147	1 347 014	(94 867)	-7%	1 347 014
Surplus/(Deficit)	(10 029)	20 464	(64 494)	(91 386)	(4 690)	(64 694)	38 904	-6%	(64 694)
Transfers and subsidies - capital (monetary allocations)	121 022	132 163	125 585	-	81 312	120 685	(9 373)	-8%	120 685
Transfers and subsidies - capital (in-kind)	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & (Share of surplus/ (deficit) of associate	(10 003)	152 607	76 191	(91 386)	76 622	76 191	430	1%	76 191
Surplus/(Deficit) for the year	(10 003)	152 607	76 191	(91 386)	76 622	76 191	430	1%	76 191
Capital expenditure & funds sources									
Capital expenditure	263 465	187 538	173 065	10 880	132 853	173 065	(40 213)	-23%	173 065
Capital transfers recognised	109 231	114 524	104 944	4 031	86 718	104 944	(18 225)	-17%	104 944
Borrowing	-	9 000	9 000	993	3 813	9 000	(5 187)	-60%	9 000
Internally generated funds	44 267	63 834	59 122	5 835	42 521	59 122	(16 601)	-28%	59 122
Total sources of capital funds	263 465	187 538	173 065	10 880	132 853	173 065	(40 213)	-23%	173 065
Financial position									
Total current assets	716 900	833 735	718 264	-	814 712	-	-	-	718 264
Total non current assets	2 325 895	2 342 159	2 381 121	-	2 379 733	-	-	-	2 381 121
Total current liabilities	483 617	439 175	493 016	-	580 814	-	-	-	493 016
Total non current liabilities	243 390	110 711	224 390	-	241 208	-	-	-	224 390
Community wealth/Equity	2 319 788	2 469 802	2 381 879	-	2 382 423	-	-	-	2 381 879
Cash flows									
Net cash from (used) operating	255 636	169 835	221 070	(36 267)	268 147	167 401	(100 746)	-60%	221 070
Net cash from (used) investing	166 468	(181 114)	(151 396)	(6 289)	(148 941)	(151 396)	(2 555)	2%	(151 396)
Net cash from (used) financing	(42 200)	(24 605)	42 605	(6 874)	(74 281)	(24 605)	49 675	-252%	42 605
Cash/cash equivalents at the month/year end	467 527	118 267	178 684	-	111 439	57 804	(53 635)	-93%	178 684
Debtors & creditors analysis	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dya	151-180 Dya	181 Dya-1 yr	Over 1Yr	Total
Debtors Age Analysis									
Total By Income Source	25 568	16 118	24 728	19 707	18 238	16 911	15 401	558 504	685 172
Creditors Age Analysis									
Total Creditors	50 858	70	-	-	-	-	-	5	50 933

Financial Performance of Operational Services

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

Vote Description	Ref	2022/23	Budget Year 2023/24							Full Year Forecast
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	
R thousands										
Revenue by Vote	1									
Vote 1 - Mayor and Council		285 646	285 237	285 237	412	285 237	285 237	0	0.0%	285 237
Vote 2 - Finance and Administration		569 589	555 706	569 812	38 850	594 673	569 812	24 862	4.4%	569 812
Vote 3 - Internal Audit		-	-	-	-	-	-	-	-	-
Vote 4 - Community and Social Services		17 215	16 277	16 984	15 521	16 142	16 984	(842)	-5.0%	16 984
Vote 5 - Sport and Recreation		28	-	63	1	56	63	(7)	-11.2%	63
Vote 6 - Public Safety		149	150	279	2 028	2 167	279	1 888	676.6%	279
Vote 7 - Housing		14 024	2 775	38 513	30 974	39 247	38 513	734	1.9%	38 513
Vote 8 - Health		-	-	-	-	-	-	-	-	-
Vote 9 - Planning and Development		167 430	113 160	129 714	23 396	128 514	129 714	(1 200)	-0.9%	129 714
Vote 10 - Road Transport		96 148	129 172	130 049	15 535	116 700	130 049	(13 349)	-10.3%	130 049
Vote 11 - Environment Protection		386	342	342	34	333	342	(9)	-2.6%	342
Vote 12 - Energy Sources		163 941	163 943	184 602	15 927	189 475	184 602	4 873	2.6%	184 602
Vote 13 - Other		565	579	653	16	566	653	(87)	-13.3%	653
Vote 14 - Waste Water Management		-	-	-	-	-	-	-	-	-
Vote 15 - Waste Management		73 555	73 513	73 555	106	76 387	73 555	2 832	3.4%	73 555
Total Revenue by Vote	2	1 314 476	1 369 956	1 430 192	142 812	1 449 487	1 430 192	19 295	1.4%	1 430 192
Expenditure by Vote	1									
Vote 1 - Mayor and Council		46 347	64 817	73 053	3 728	64 620	73 053	(8 434)	-11.5%	73 053
Vote 2 - Finance and Administration		282 919	221 821	259 124	189 467	276 422	259 124	117 298	45.3%	259 124
Vote 3 - Internal Audit		90 480	91 453	95 146	12 314	95 174	95 146	28	0.0%	95 146
Vote 4 - Community and Social Services		38 596	61 691	61 972	3 439	67 273	61 972	5 301	8.6%	61 972
Vote 5 - Sport and Recreation		5 074	5 274	5 382	612	5 353	5 382	(29)	-0.5%	5 382
Vote 6 - Public Safety		53 445	52 497	57 596	5 064	57 186	57 596	(410)	-0.7%	57 596
Vote 7 - Housing		31 238	18 075	46 464	1 150	47 183	46 464	719	1.5%	46 464
Vote 8 - Health		-	-	-	-	-	-	-	-	-
Vote 9 - Planning and Development		41 941	45 114	52 005	3 688	46 717	52 005	(5 288)	-10.2%	52 005
Vote 10 - Road Transport		147 464	285 539	282 801	(31 415)	195 907	282 801	(86 894)	-30.7%	282 801
Vote 11 - Environment Protection		25 562	25 627	30 022	2 380	27 405	30 022	(2 617)	-8.7%	30 022
Vote 12 - Energy Sources		146 750	194 314	189 461	18 948	162 299	189 461	(27 162)	-14.3%	189 461
Vote 13 - Other		6 451	5 850	5 296	1 353	5 549	5 296	253	4.8%	5 296
Vote 14 - Waste Water Management		-	-	-	-	-	-	-	-	-
Vote 15 - Waste Management		171 940	180 920	193 558	18 582	187 417	193 558	(6 141)	-3.3%	193 558
Total Expenditure by Vote	2	1 188 196	1 253 191	1 352 181	229 348	1 338 504	1 352 181	(13 677)	-1.0%	1 352 181
Surplus/ (Deficit) for the year	2	126 280	116 765	77 921	(86 536)	110 983	77 921	33 072	42.4%	77 921

5.2 Grants



RAY NKONYENI
MUNICIPALITY

The Game-changer of South Coast Development

KZN216 RAY NKONYENI MUNICIPALITY GRANT REGISTER

KZN216 RAY NKONYENI MUNICIPALITY GRANT REGISTER

JUNE 2025

Name of grant	Opening Balance as at	Receipts	Expenditure: Operating (Revenue Recognised)/GRAP 2	Expenditure: Capital (Revenue Recognised)/GRAP 2	Closing Balance as at
<u>INTEGRATED URBAN DEVELOPMENT (IUDG)</u>		R 86 740 000	R -	R 86 740 000.00	R -
<u>NEIGHBOURHOOD GRANT</u>		R 25 000 000	R -	R 11 055 491.08	R 13 944 508.92
<u>ENERGY EFFICIENT & DEMAND SIDE MANAGANEMENT</u>		R 5 500 000	R -0	R 5 043 893	R 456 106.66
<u>EXPANDED PUBLIC WORKS PROGRAMME (EPWP)</u>		R 3 255 000	R 3 255 000	R -	R -
<u>MUNICIPAL DISASTER RESPONSE</u>		R 22 760 000	R 22 735 023	R -	R 24 976.67
<u>MUNICIPAL DISASTER RECOVERY</u>	R 771 197	R -	R -	R 769 771	R 1 426.00
<u>INTEGRATED NATIONAL ELECTRIFICATION PROGRAMME (INEP)</u>	R -	R -	R -	R -	R -
<u>FINANCIAL MANAGEMENT GRANT (FMG)</u>		R 1 900 000	R 1 900 000	R -	R 0.00
<u>PROVINCIALIZATION OF LIBRARY GRANT</u>		R 12 964 000	R 12 964 000	R -	R -
<u>CYBER CADET GRANT</u>		R 2 120 000	R 2 120 000	R -	R -
<u>COMMUNITY LIBRARIES GRANT (MOB)</u>		R 389 000	R 389 000	R -	R -
<u>MUSEUM GRANT</u>		R 497 000	R 497 000	R -	R 0.00
<u>MODULAR LIBRARIES GRANT</u>		R 747 000	R 747 000	R -	R -
<u>AIRPORT GRANT</u>	R 43 015	R 3 500 000	R 434 622	R -	R 3 108 392.69
<u>MARKET STALLS GRANT</u>	R 1 377 516		R 1 377 516		R -
TOTAL	R 2 191 728	R 165 372 000	R 46 419 161	R 103 609 155	R 17 535 411

Component B: Spending Against Capital Budget

5.3 Capital Expenditure

Capital Projects	
R' 000	
Details	2024-25
Original Budget	187 558
Adjustment Budget	173 065
Actual	179 665

5.4 Sources of Finance

KZN216 Ray Nkonyeni - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M12 - June

Description	Ref	2023/24	Budget Year 2024/25							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenues										
Exchange Revenue										
Service charges - Electricity		187 231	207 222	207 188	16 232	194 163	207 188	(13 025)	-6%	207 188
Service charges - Water		-	-	-	-	-	-	-	-	-
Service charges - Waste Water Management		-	-	-	-	-	-	-	-	-
Service charges - Waste management		63 206	71 335	71 335	585	64 484	71 335	(6 851)	-10%	71 335
Sale of Goods and Rendering of Services		49 552	22 815	12 768	585	12 668	12 788	(101)	-1%	12 788
Agency services		5 931	6 882	7 022	359	5 004	7 022	(2 018)	-29%	7 022
Interest		-	-	-	-	-	-	-	-	-
Interest earned from Receivables		9 152	8 202	9 956	931	10 415	9 958	459	5%	9 958
Interest from Current and Non-Current Assets		11 614	11 916	13 220	446	11 066	13 220	(2 153)	-16%	13 220
Dividends		-	-	-	-	-	-	-	-	-
Rent on Land		-	-	-	-	-	-	-	-	-
Rental from Fixed Assets		4 148	5 203	5 246	570	4 188	5 246	(1 058)	-20%	5 246
Licence and permits		898	737	472	55	511	472	39	8%	472
Operational Revenue		3 243	1 091	2 135	(1 179)	1 057	2 135	(1 078)	-51%	2 135
Non-Exchange Revenue										
Property rates		507 017	532 883	532 850	342	532 624	532 850	(227)	0%	532 850
Surcharges and Taxes		-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		25 586	32 812	25 246	415	17 925	25 246	(7 321)	-29%	25 246
Licence and permits		9 060	11 956	11 952	1 004	7 220	11 952	(4 731)	-40%	11 952
Transfers and subsidies - Operational		390 199	324 896	368 500	-	362 111	368 500	(16 389)	-5%	368 500
Interest		31 858	32 818	34 648	3 275	26 020	34 648	1 371	4%	34 648
Fuel Levy		-	-	-	-	-	-	-	-	-
Operational Revenue		-	-	-	-	-	-	-	-	-
Gains on disposal of Assets		-	-	-	-	-	-	-	-	-
Other Gains		36 066	-	-	-	-	-	-	-	-
Discontinued Operations		-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		1 328 475	1 270 142	1 382 528	24 256	1 247 457	1 382 528	(55 064)	-4%	1 382 528

5.5 Capital Spending on 5 Largest Projects

Capital Expenditure of 5 largest projects					
R' 000					
Name of Project	Current 2024-25			Variance 2024-25	
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Adjustment Budget
Road Reseals	15,000	16,000	13,200	82%	-21%
Mandla Mzelemu	6,000	10,906	10,906	100%	0%
Corner House Ring Road	5,000	10,437	10,437	100%	0%
Rural Road and Stormwater Rehabilitation (Internal Funded)	10,000	10,000	9,643	96%	-4%
RURAL ROADS URBAN STORMWATER IUDG	10,000	10,830	9,638	89%	-12%

Component C: Cash Flow Management and Investments

Cash Flow

KZN216 Ray Nkonyeni Municipality

(Registration number KZN216)

Trading as Ray Nkonyeni Municipality

Annual Financial Statements for the year ended 30 June 2025

Cash Flow Statement

Figures in Rand	Note(s)	2025	2024 Restated*
Cash flows from operating activities			
Receipts			
Cash received from non-exchange transactions		530,573,312	427,078,512
Cash received from exchange transactions		223,104,591	374,087,954
Transfers and subsidies received		468,941,580	505,138,819
Interest from investments		11,067,518	11,613,966
Interest from exchange transactions		2,592,476	1,981,303
Interest from non-exchange transactions		10,771,120	11,921,703
Other cash receipts		6,934,162	1,222,724
Sars VAT Refund		81,184,559	61,031,982
		1,335,169,318	1,384,076,963
Payments			
Employee costs		(567,793,323)	(500,139,903)
Suppliers		(562,898,078)	(887,553,583)
Finance costs		(1,788,927)	(1,838,085)
Transfers and Subsidies		(18,975,548)	(18,394,060)
Sars VAT Payment		(1,338,377)	-
		(1,152,792,253)	(1,208,025,631)
Net cash flows from operating activities	43	182,377,065	186,051,332
Cash flows from investing activities			
Purchase of property, plant and equipment	4	(141,708,267)	(195,575,333)
Proceeds from sale of property, plant and equipment	4	-	1,403,759
Purchase of investment property	3	(377,932)	(4,974,225)
Purchase of heritage assets	6	(50,000)	(98,575)
Net cash flows from investing activities		(142,136,199)	(199,244,374)
Cash flows from financing activities			
Movement of long-term loan		(1,953,618)	6,177,678
Finance lease payments		(57,691,124)	(42,200,474)
Net cash flows from financing activities		(58,644,942)	(36,022,796)
Net increase/(decrease) in cash and cash equivalents		(19,404,076)	(49,215,838)
Cash and cash equivalents at the beginning of the year		66,405,168	115,621,006
Cash and cash equivalents at the end of the year	12	47,001,092	66,405,168

The accounting policies on pages 11 to 41 and the notes on pages 42 to 101 form an integral part of the annual financial statements.

**RAY NKONYENI MUNICIPALITY ACTION PLAN FOR MATTERS BY THE AUDITOR
GENERAL FOR PERIOD 30 JUNE 2025.**

STATUS OF IMPLEMENTATION

Departments	No of Findings	Achieved	In-progress	Not started	Progress
Treasury	8	8	0	0	
Internal Audit & Risk Management	1	1	0	0	
ICT	4	4	0	0	

	FINDING	CORRECTIVE ACTION	TIMEFRAME	RESPONSIBLE MANAGER	PROGRESS/STATUS
NO ANNEXURE A FINDINGS					
ANNEXURE B: OTHER IMPORTANT MATTERS					
1.	Consumer debtors: allowance for impairment The audit of the allowances for impairment of consumer debtors revealed inconsistencies in the application of	Revenue Management will ensure that thorough reviews are performed on impairment calculations during the financial reporting period. Revenue management will update its impairment methodology to	31 July 2025	Manager: Revenue Impairment methodology has been amended to align to management considerations being allowed when determining	

	FINDING	CORRECTIVE ACTION	TIMEFRAME	RESPONSIBLE MANAGER	PROGRESS/STATUS
	the impairment methodology, specifically, deviations from the established formula used to calculate the collection period as a result of judgemental adjustments without clear documentation or justifications in the methodology.	ensure clarity and consistency.		the collection period.	
2.	Cash flow statement differences Material misstatement of the cash flow statement identified by the auditors in the submitted financial statements were	The Senior Accountant will prepare the cash flow statement. Review by Managers as well as the CFO before review by the Internal audit manager.	15 August 2025	CFO Manager: Budget & Reporting Manager: Internal Audit & Risk Management The cash flow working paper file has been populated using the AG template	

	FINDING	CORRECTIVE ACTION	TIMEFRAME	RESPONSIBLE MANAGER	PROGRESS/STATUS
	subsequently corrected.			and reviewed by the internal team and the CFO.	
3.	Irregular expenditure Management did not prevent the irregular expenditure incurred, irregular expenditure was incurred in the current year of R186 million (2022-23: R173 million) was incurred in the prior year, due to lack of adequate systems to allocate work to panel suppliers.	COPR MANCO to review and implement KZN Provincial Treasury SCM Treasury guidance on panels. Amend and table to council for approval of the amended SCM policy in terms of the KZN Provincial Treasury SCM Treasury guidance on panels. Investigate the irregular expenditure of all prior panels and implement appropriate measures on irregular expenditure incurred where there has been no rotation.	3 rd Quarter	CFO Manager: SCM Consultation with Provincial Treasury has been done and a guide on processing Panels has been received from PT. Supply Chain Management Policy has been amended to include a process to be followed when procuring through Panels and Draft Policy has been submitted to Council. The investigation on the previous years irregular	

	FINDING	CORRECTIVE ACTION	TIMEFRAME	RESPONSIBLE MANAGER	PROGRESS/STATUS
		RNM must invite the Treasury to present to CORP MANCO on panels by 28 February 2025. This will help prevent irregular expenditures.		expenditure is still ongoing. Management attended an SCM Forum in which Panels were discussed and guidance provided.	
4.	Procurement for deviation During the audit of the deviations, it was noted that deviations resulted in non-compliance with applicable laws and regulations and incomplete disclosure of irregular expenditure amounting to a total payment	The standard operating procedure will be amended to improve the implementation of the deviation processes. All processes will be done through SCM to verify if procurement is a deviation. MEDIA ADVERTISING: SCM policy to include radio slots.	4 th Quarter	CFO Manager: SCM Screening of deviation is now done at CFO Office before Accounting Officer approves. If deviation does not meet the legislative requirements, it is not approved.	

	FINDING	CORRECTIVE ACTION	TIMEFRAME	RESPONSIBLE MANAGER	PROGRESS/STATUS
	of R104 500 made during the 2023/24 financial year, and R163 426.50.				
5.	Prohibited suppliers in the supplier database Service Providers prohibited are included in the Ray Nkonyeni Municipality supplier database.	SCM to ensure that the applicable laws and regulations are complied with through consistent review and monitoring of the treasury circulars and the supplier database. RNM must upload all employees to CSD. Verify directors ID numbers on CSD to check other links. DPSA screenshot of government employee. Show evidence that all searches for directors have been covered.	3 rd Quarter	Manager: SCM Internal Database System is directly linked and in sync with CSD. Restricted Suppliers automatically flagged and put on hold onto the system. SCM Monitors of the list of Restricted Service Providers as it is continually updated by Treasury	
6.	Holding of Long-outstanding	Revenue Management will	4 th Quarter	Manager: Revenue	

	FINDING	CORRECTIVE ACTION	TIMEFRAME	RESPONSIBLE MANAGER	PROGRESS/STATUS
	Unknown Deposits The Unknown Deposits account balance, management was unable to provide the audit team with a complete listing of the unknown deposits balance prior to the financial year 2021. This resulted in the audit team not being able to select a sample, test and therefore confirm the existence and valuation.	assess the age of unknown deposits. Apply the guidance from the Prescription Act in removing unknown deposits older than three years off the balance sheet and recognised as revenue. The transfer of the old unknown deposits should be limited to the amount older than three years as per the prescription act.		The policy amendment was submitted and approved by Council. Unknown deposits with a value of R 14.9 million were recognised as revenue as they related to periods beyond the 3 prior financial years as per the Prescription Act.	
7.	Holding of Long-outstanding Retention During the audit of the	Treasury and Technical Services will investigate the aging of retentions for projects that have	4 th Quarter	Manager: Expenditure Retention policy developed and approved by the	

	FINDING	CORRECTIVE ACTION	TIMEFRAME	RESPONSIBLE MANAGER	PROGRESS/STATUS
	Retentions account balance, for a selected sample no audit evidence was provided to allow auditors to confirm the existence and valuation of the retentions.	been completed on a regular basis. The suppliers that have not claimed their retentions up to the specified due date. Management will release the retentions held to the income statement and recognise these to revenue. Develop the retention policy.		council on 27 May 2025. Investigated the aging of retentions and recognised the long-standing retention as revenue.	
8.	Output VAT On Grants We reviewed the agreement between the Provincial Department of Arts, Culture, and Sports (DACS) and the municipality, and noted that the agreements require the local	Review grants agreement and the VAT Act to ensure compliance. Process VAT on grants monthly to ensure compliance.	Ongoing	Manager: Budget & Reporting Reviewed the grant agreement. Management disagrees with the findings. SARS interpretation note 39 P2.11for vat	

	FINDING	CORRECTIVE ACTION	TIMEFRAME	RESPONSIBLE MANAGER	PROGRESS/STATUS
	municipality to perform major actions for the payment from the Department of Arts and Culture. As a result, the funds received by the municipality do not meet a grant as defined in the VAT Act, as the payment is not gratuitous or unrequited. The supply is therefore not a deemed supply, but an actual supply.			treatment of public authorities and grants: transfers for goods and services are subject to VAT at standard rate of 15%, The transfer of the provincialization grant is not for any goods or services to be received by the transferring authority in exchange for the transfer. Therefore, there is No actual supply.	

	FINDING	CORRECTIVE ACTION	TIMEFRAME	RESPONSIBLE MANAGER	PROGRESS/STATUS
9.	Anti-fraud hotline not operational During the audit of the entity's internal controls and fraud assessment, the auditors identified that the anti-corruption hotline was not operational during the 2023/24 financial year. This is a control that management places significant reliance on based on responses that were received on the fraud questionnaires that were issued to management.	Management will update the Ray Nkonyeni Municipality's Anti-Fraud & Anti-Corruption Strategy and include on the municipal website the alternative reporting lines. Furthermore, management will explore the option of sourcing an independent service provider to supply the municipality with a fully functional fraud hotline that will be designated to and controlled by the Ray Nkonyeni Municipality to ensure continuous monitoring thereof.	30 June 2025	Manager: Internal Audit & Risk Management	

	FINDING	CORRECTIVE ACTION	TIMEFRAME	RESPONSIBLE MANAGER	PROGRESS/STATUS
	The audit team has followed up with management and established that management was not aware that the fraud hotline was not operational and only followed up with UGU District Municipality after the audit team brought it to their attention on 12 September 2024.				
10.	ICT: Inadequate management of network security patches processes may render Ray Nkonyeni	The ICT Manager should ensure that the ICT Usage and Security Policy and User Access Management Procedure documents are thoroughly reviewed	30 June 2025	Manager: ICT Resolved: automated patch updates for Traffman, AD and VIP. Munosft and Traffman to submit reports monthly for	

	FINDING	CORRECTIVE ACTION	TIMEFRAME	RESPONSIBLE MANAGER	PROGRESS/STATUS
	Local Municipality vulnerable to IT security threats.	and update to include clear and adequate guidance on principles of segregation of duties and least privilege to be adhered to when assigning access permissions to users on the municipality's IT systems. This will ensure that users are assigned access permissions that did not directly align with their specific job roles and that responsibilities are divided among different individuals or teams to reduce the risk of errors, fraud, and unauthorised actions.		Patches, AV and firmware	
11.	ICT: Inadequately implemented password parameter configuration settings may	ICT Manager should consider liaising with the service provider to determine whether the password parameter settings on the Linux	30 Sept 2025	Manager: ICT Munsoft to adjust their password configuration to align with ICT Security policy.	

	FINDING	CORRECTIVE ACTION	TIMEFRAME	RESPONSIBLE MANAGER	PROGRESS/STATUS
	increase the risk of the Linux operating system that Munsoft is running on being susceptible to security threats.	Operating system can be configured in line with standards configured in line with the password standards stipulated in the Policy on page 71. Set Stronger Password Policies.		Action plan is in place and will be implemented by the 30 th of September.	
12.	ICT: Inadequately implemented security management processes on Trafman may result in the municipality being susceptible to IT risks.	ICT Manager in consultation with the Superintendent: Public Transport and Administration Traffic should consider: • Ensuring that adequate due diligence is applied during operational review processes to ensure that anomalies are timeously identified and acted upon. • Implementing the necessary control measures to ascertain that the designated Trafman Administrators	30 June 2025	Manager: ICT Resolved: Meeting held with the section. Only One user will have full access.	

	FINDING	CORRECTIVE ACTION	TIMEFRAME	RESPONSIBLE MANAGER	PROGRESS/STATUS
		are adequately trained to identify and respond to possible security incidents and to ensure that the security team is aware of the latest attack techniques and mitigation strategies.			
13.	ICT: Inadequately implemented security management processes on the NMS-BRET system may result in the municipality being susceptible to IT risks.	ICT Manager in consultation with Network System Administrator should consider ensuring that adequate due diligence is applied during operational review processes to ensure that password requirements on the Munsoft operating system are configured in line with the password standards stipulated in the Policy on page 71. Set Stronger Password Policies.	30 June 2025	Manager: ICT Trafman: has addressed the finding. Munsoft: change implementation is in progress.	

Auditor General's Audit Findings

Component A: Report of the auditor-general to the KwaZulu-Natal Provincial Legislature and the Council on Ray Nkonyeni Municipality 2025

Report on the audit of the financial statements.

1. I have audited the financial statements of the Ray Nkonyeni Municipality set out on pages 564 to 675, which comprise the statement of financial position as at 30 June 2025, statement of financial performance, statement of changes in net assets, cash flow statement and statement of comparison of budget and actual amounts for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Ray Nkonyeni Municipality as at 30 June 2025 and its financial performance and cash flows for the year then ended in accordance with the Standards of Generally Recognised Accounting Practice (GRAP) and the requirements of the Municipal Finance Management Act 56 of 2003 (MFMA) and the Division of Revenue Act 24 of 2024 (DoRA).

Basis for opinion

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

Emphasis of matters

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

Material impairment

7. As disclosed in note 10 to the financial statements, the municipality recognised an allowance for impairment on consumer debtors of R592,6 million (2023-24: R515,2 million) as the recoverability of these amounts was doubtful.

Restatement of comparative figures

8. As disclosed in note 58 and 59 to the financial statements, the corresponding figures for 30 June 2025 were restated as a result of reclassification of amounts, and prior period errors respectively in the financial statements of the municipality at, and for the year ended, 30 June 2025.

Other matter

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

Unaudited disclosure notes

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

Responsibilities of the accounting officer for the financial statements

11. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the SA Standards of GRAP and the requirements of the MFMA and DoRA; and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
12. In preparing the financial statements, the accounting officer is responsible for assessing the municipality's ability to continue as a going concern; disclosing, as applicable, matters relating to going concern; and using the going concern basis of

accounting unless the appropriate governance structure either intends to liquidate the municipality or to cease operations or has no realistic alternative but to do so.

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

13. My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error; and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
14. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report. This description, which is located at page 564 to 675, forms part of our auditor's report.

Report on the audit of the annual performance report

15. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof; I must audit and report on the usefulness and reliability of the reported performance against predetermined objectives for the selected key performance area presented in the annual performance report. The accounting officer is responsible for the preparation of the annual performance report.
16. I selected the following key performance area presented in the annual performance report for the year ended 30 June 2025 for auditing. I selected a key performance area that measures the municipality's performance on its primary mandated functions and that is of significant national, community or public interest.

Key performance area	Page numbers	Purpose
Service Delivery	142	To provide basic services which includes electricity, refuse removal,

Key performance area	Page numbers	Purpose
		roads maintenance and other community and related services

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

18. I performed procedures to test whether:

- the indicators used for planning and reporting on performance can be linked directly to the municipality's mandate and the achievement of its planned objectives
- all the indicators relevant for measuring the municipality's performance against its primary mandated and prioritised functions and planned objectives are included
- the indicators are well defined to ensure that they are easy to understand and can be applied consistently, as well as verifiable so that I can confirm the methods and processes to be used for measuring achievements
- the targets can be linked directly to the achievement of the indicators and are specific, time bound and measurable to ensure that it is easy to understand what should be delivered and by when, the required level of performance as well as how performance will be evaluated
- the indicators and targets reported on in the annual performance report are the same as those committed to in the approved initial or revised planning documents

- the reported performance information is presented in the annual performance report in the prescribed manner
- there is adequate supporting evidence for the achievements reported and for the measures taken to improve performance.

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

20. I did not identify any material findings on the reported performance information of the selected key performance area.

Other matters

21. I draw attention to the matter below.

Achievement of planned targets

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

23. The table that follows provides information on the achievement of planned targets and lists the key indicators that were not achieved as reported in the annual performance report. measures taken to improve performance are included in the annual performance report on pages 676 to 703.

Service delivery indicators not achieved – Service Delivery

Targets achieved: 96 %		
Budget spent 92 %		
Key performance area indicators not achieved	Planned target	Reported achievement
No. of bridge structures constructed	3	2
Number of community facilities built	4	1

Material misstatements

24. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were in the reported performance information for programme 2: Service Delivery. Management subsequently corrected all the misstatements, and I did not include any material findings in this report.

Report on compliance with legislation

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

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

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

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

Procurement and contract management

29. Some of the contracts were awarded to providers whose tax matters not been declared by the South African Revenue Service to be in order, in contravention of supply chain management regulation 43.

Other information in the annual report

30. The accounting officer is responsible for the other information included in the annual report. The other information referred to does not include the financial statements, the auditor's report and the selected development priority presented in the annual performance report that has been specifically reported on in this auditor's report.
31. My opinion on the financial statements, the report on the audit of the annual performance report and the report on compliance with legislation do not cover the other information included in the annual report and I do not express an audit opinion or any form of assurance conclusion on it.
32. My responsibility is to read this other information and, in doing so, consider whether it is materially inconsistent with the financial statements and the selected key performance area presented in the annual performance report or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
33. I did not receive the other information prior to the date of this auditor's report. When I do receive and read this information, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary.

Internal control deficiencies

34. I considered internal control relevant to my audit of the financial statements, annual performance report and compliance with applicable legislation; however, my objective was not to express any form of assurance on it.
35. The matters reported below are limited to the significant internal control deficiencies that resulted in the material findings on compliance with legislation included in this report.

36. Controls in place did not prevent or detect internal control deficiencies, resulting in material misstatements in performance information and material non-compliance with applicable legislation relating to procurement and contract management.

Auditor-General

Pietermaritzburg

30 November 2025



Report of the auditor-general to the KwaZulu-Natal Provincial Legislature and the Council on Ray Nkonyeni Municipality 2024

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

Report on the audit of the financial statements.

Opinion

1. I have audited the financial statements of the Ray Nkonyeni Municipality set out on pages xx to xx, which comprise the statement of financial position as at 30 June 2024, statement of financial performance, statement of changes in net assets, cash flow statement and statement of comparison of budget and actual amounts for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Ray Nkonyeni Municipality as at 30 June 2024 and its financial performance and cash flows for the year then ended in accordance with the Standards of Generally Recognised Accounting Practice (GRAP) and the requirements of the Municipal Finance Management Act 56 of 2003 (MFMA) and the Division of Revenue Act 5 of 2022 (Dora).

Basis for opinion

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

Emphasis of matters

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

Material impairment

7. As disclosed in note 10 to the financial statements, the municipality recognised an allowance for impairment on consumer debtors of R183,29 million (2022-23: R136 ,76 million) as the recoverability of these amounts was doubtful.

Restatement of comparative figures

8. As disclosed in note 56 to the financial statements, the corresponding figures for 30 June 2023 were restated as a result of errors in the financial statements of the municipality at, and for the year ended, 30 June 2024.

Other matter

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

Unaudited disclosure notes

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

Responsibilities of the accounting officer for the financial statements

11. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the SA Standards of GRAP and the

requirements of the MFMA and Dora; and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

13. My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error; and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
14. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report. This description, which is located at page 07, forms part of our auditor's report.

Report on the audit of the annual performance report

15. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof; I must audit and report on the usefulness and reliability of the reported performance against predetermined objectives for the selected key performance area presented in the annual performance report. The accounting officer is responsible for the preparation of the annual performance report.
16. I selected the following key performance area presented in the annual performance report for the year ended 30 June 2024 for auditing. I selected a key performance area that measures the municipality's performance on its primary mandated functions and that is of significant national, community or public interest.

Key performance area	Page numbers	Purpose
Service Delivery	XX	To provide basic services which includes electricity, refuse removal,

Key performance area	Page numbers	Purpose
		roads maintenance and other community and related services

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

18. I performed procedures to test whether:

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

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

20. I did not identify any material findings on the reported performance information of the selected key performance area.

Other matters

21. I draw attention to the matter below.

Achievement of planned targets

22. The annual performance report includes information on reported achievements against planned targets and measures taken to improve performance.
23. The table that follows provides information on the achievement of planned targets and lists the key indicators that were not achieved as reported in the annual performance report. measures taken to improve performance are included in the annual performance report on pages xx to xx.

Service delivery indicators not achieved – Service Delivery

Targets achieved: 92 % Budget spent 99 %		
Key performance area indicators not achieved	Planned target	Reported achievement
No. of bridge structures constructed	3	1

Report on compliance with legislation

24. In accordance with the PAA and the general notice issued in terms thereof, I must audit and report on compliance with applicable legislation relating to financial matters, financial management and other related matters. The Municipality is responsible for the Municipality's compliance with legislation.
25. I performed procedures to test compliance with selected requirements in key legislation in accordance with the findings engagement methodology of the Auditor-General of South Africa (AGSA). This engagement is not an assurance engagement. Accordingly, I do not express an assurance opinion or conclusion.
26. Through an established AGSA process, I selected requirements in key legislation for compliance testing that are relevant to the financial and performance management of the Municipality, clear to allow consistent measurement and evaluation, while also sufficiently detailed and readily available to report in an understandable manner. The selected legislative requirements are included in the annexure to this auditor's report.
27. The material findings on compliance with the selected legislative requirements, presented per compliance theme, are as follows

Annual financial statements, performance report and annual reports

28. The financial statements submitted for auditing were not fully prepared in all material respects in accordance with the requirements of section 122(1) of the MFMA. Material misstatements on the statutory receivables impairments and the statement of cash flows, identified by the auditors in the submitted financial statement were subsequently corrected, resulting in the financial statements receiving an unqualified audit opinion.

Expenditure Management

29. Reasonable steps were not taken to prevent irregular expenditure amounting to R185,79 million as disclosed in note 59 to the annual financial statements, as required by section 62(1)(d) of the MFMA. The majority of the disclosed irregular expenditure was due to non-compliance with supply chain management prescripts.

Procurement and contract management

30. The preference point system was not applied to some of the procurement of goods and services as required by section 2(1)(a) of the Preferential Procurement Policy Framework Act. Similar non-compliance was also reported in the prior year.

31. Sufficient appropriate audit evidence could not be obtained that contract performance and monitoring measures were in place to ensure effective contract management as required by section 116(2)(c)(ii) of the MFMA.

Other information in the annual report

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

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

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

35. I did not receive the other information prior to the date of this auditor's report. When I do receive and read this information, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged

with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary.

Internal control deficiencies

36. I considered internal control relevant to my audit of the financial statements, annual performance report and compliance with applicable legislation; however, my objective was not to express any form of assurance on it.
37. The matters reported below are limited to the significant internal control deficiencies that resulted in the material findings on compliance with legislation included in this report.
38. The municipality did not have a formalised and documented system in place to fairly and transparently assign contracts to panel suppliers. Furthermore, procurement and contract management practices were not always effective in ensuring compliance with relevant laws and regulations.
39. The municipality did not implement adequate controls over the preparation of regular, accurate and complete financial reports that are supported and evidenced by reliable information.
40. Management did not always implement controls to ensure compliance with applicable laws and regulations, as the controls in place did not prevent or detect internal control deficiencies, resulting in material misstatements and non-compliance with the applicable reporting framework and regulatory requirements.

Auditor-General

Pietermaritzburg

13 December 2024



Appendices

Appendix A: Ray Nkonyeni Municipality Councillors & Council Attendance

Council Member	Full Time/ Part Time FT/PT	Committees Allocated	Ward and Party Represented	% attendance	% Leave of absence	% absenteeism
MZINDLE	Precious Zodwa FT	CHAIRPERSON-FINANCE	PR COUNCILLOR ANC	100	0	0
BOSCH	Alan PT	DEVELOPMENT PLANNING	WARD 12-DA	100	0	0
BRAUTES ETH	Paul Edward PT	PUBLIC SAFETY	DA	58,82	41,17	0
BREEDT	Stephane Mary PT	MUNICIPAL PUBLIC ACCOUNTS COMMITTEE	WARD 1-DA	100	105,8824	0
CELE	Bheki Wiseman PT	CORPORATE SERVICES	WARD 23- ANC	94,11	5,88	0
CELE	Mdum'seni Innocent PT	GOVERNANCE AND SPECIAL PROGRAMME	WARD 27-ANC	76,47059	17,64706	5,882353

Council Member		Full Time/ Part Time FT/PT	Committees Allocated	Ward and Party Represented	% attendance	% Leave of absence	% absenteeism
CILIZA	Bhekani David	PT	DEVELOPMENT PLANNING	WARD 4-ANC	82,35294	11,76471	5,882353
DANCA	Ntombifuthi Joice	PT	GOVERNANCE AND SPECIAL PROGRAMMES	PR-ANC	100	0	0
DAMAS	Alma Thelma Pamela	PT	FINANCE	PR- IFP	82,35	5,88	5,88
DLAMINI	Christopher Mlungisi	PT	ETHICS COMMITTEE	PR- IFP	70,58	17,64	11,76
FICA	Sthembile Primrose	PT	FINANCE	PR-ANC	76,47	17,64	5,882353
GARBAD E	Leon Armin	FT	FINANCE EXCO	WARD 12- DA	82,35	17,64	0
GASA	Xolani Alpheus	PT	MPAC	WARD 20-ANC	100	0	0
GEGE	ANELISA WENZIWE	PT	PUBLIC SAFETY & COMMUNITY SERVICES	PR-EFF	71,42	14,28	0
GUMBI	Rodney Phumlani	FT	CHAIRPERSON- DEVELOPMENT	WARD 05-ANC	94,11	5,88	0

Council Member		Full Time/ Part Time FT/PT	Committees Allocated	Ward and Party Represented	% attendance	% Leave of absence	% absenteeism
			PLANNING				
GUMEDE	Ayanda Prince	PT	GOVERNANCE AND SPECIAL PROGRAMMES	PR-ANC	88,23	0	11,76
HADEBE	Cynthia Nondumiso	PT	TECHNICAL SERVICES	PR-EFF	27,27	36,36	36,36
HADEBE	Samuel Sbonelo	PT	COMMUNITY SERVICES AND PUBLIC SAFETY	WARD 22-ANC	100	0	0
HENDERSON	George Diederik	PT	FINANCE	WARD 19-DA	88,23	11,76	0
JINGELA	Thabiso	PT	TECHNICAL SERVICES	WARD 24- ANC	82,35	0	5,88
HLOPHE	Thinta Teddy	FT	FINANCE	PR-ANC	100	0	0
JULA	Mxolisi Derrick	PT	MPAC	WARD 11-ANC	82,35294	11,76471	5,882353
KHANYASE	Emmerecia Thuleleni	FT	CHAIRPERSON-CORPORATE	PR-ANC	100	0	0

Council Member	Full Time/ Part Time FT/PT	Committees Allocated	Ward and Party Represented	% attendance	% Leave of absence	% absenteeism
		SERVICES				
KHAWULA	Senzo Ernest PT	DEVELOPMENT PLANNING	PR-IFP	94,117 65	5,882 353	0
KOLI	Musawu pheli Pius PT	TECHNICAL SERVICES	21 ANC	58,82	23,52	17,64
KRUGER	Tjaart Andries Petrus PT	CORPORATE SERVICES	PR-DA	94,11	0	5,88
LUBANYANA	Mosley Thandazile FT	CHAIRPERSON-COMMUNITY SERVICES AND PUBLIC SAFETY	PR- ANC	82,35	17,64	0
MADLALA	Anthony Vikizitha PT	COMMUNITY SERVICES AND PUBLIC SAFETY	PR-IFP	76,47	23,52	0
MADLALA	Thamsanqa Patrick PT	TECHNICAL SERVICES	WARD 14- MK	81,25	12,5	12,5

Council Member	Full Time/ Part Time FT/PT	Committees Allocated	Ward and Party Represented	% attendance	% Leave of absence	% absenteeism
MAJIYA	Zinhle Phindile PT	DEVELOPMENT PLANNING	WARD 35-ANC	82,35	17,64	0
MBATHA	Hawukile Petronica PT	FINANCE	35 ANC	58,82	29,41	11,76
MBUYISA	Nkululeko Love-lace PT	LLF-CHAIRPERSON-CORPORATE SERVICES	PR- ANC	88,23	11,76	0
MCHUNU	Bhenkinkosi	GOVERNANCE	PR- JEP	57,14286	14,28571	21,42857
MDODANI	Nkosivumile	TECHNICAL SERVICES	PR- EFF	71,42857	14,28571	0
MHLONGO	Mlungisi Braveman	FINANCE	PR-EFF	76,47	23,52	0
MKHIZE	Langelihle David PT	CORPORATE SERVICES	PR-IFP	88,23	0	11,76
MKHIZE	Mthetheli Michael PT	MPAC	PR EFF	82,35	5,88	11,76
MNGOMA	Ntokozo Joseph PT	CORPORATE SERVICES	PR DA	82,35	11,76	5,88

Council Member		Full Time/ Part Time FT/PT	Committees Allocated	Ward and Party Represented	% attendance	% Leave of absence	% absenteeism
MNGOME ZULU	Gladwell Sinqobile	PT	TECHNICAL SERVICE S	PR ANC	100	0	0
MNGUNI	Nolulamo	PT	FINANCE	PR ATM	76,47	11,76	0
MQADI	Cyprian Fanta	PT	DEVELOPMENT PLANNING	PR ACDP	41,17	23,52	35,29
MQADI	Noxolo Favourite	FT	EXCO-CORPORATE SERVICE S	PR EFF	36,36	36,36	27,27
MVUNDLA	Cebolenkosi Cyril				41,17	17,64	11,76
MZOBE	Bongi Constance	PT	GOVERNANCE	PR ANC	94,11	5,88	0
NCAYIYANA	Lucky Nhlanhla	PT	COMMUNITY SERVICE S AND PUBLIC SAFETY	PR DA	88,23	0	11,76
NCUKANA	Sisanele	PT	CORPORATE SERVICE S AND PUBLIC SAFETY	PR AIC	88,23	5,88	5,88
NDLELA	Nkosinamandla	PT	GOVERNANCE	WARD 24 ANC	77,77	0	0

Council Member	Full Time/ Part Time FT/PT	Committees Allocated	Ward and Party Represented	% attendance	% Leave of absence	% absenteeism
	Penuel Sihle	AND SPECIAL PROGRAMMES				
NDOVELA	Nomzamo Dorah PT	COMMUNITY SERVICES	PR EFF	36,36	18,18	45,45
NDWALANE	Sibonelo Graig PT	DEVELOPMENT PLANNING	PR-EFF	88,23	5,88	5,88
NDWALANE	Zamane Brian FT	EXCO	PR IFP	94,11	5,88	0
NGCECE	Sifiso Advocate PT	FINANCE	WARD-ANC	82,35	17,64	0
NGCOBO	Musawenkosi Israel PT	MPAC	26 ANC	88,23	11,76	0
NGWANE	Jerome Sifundo PT	TECHNICAL SERVICES	WARD 15- IFP	82,35	11,76	5,88
NKOKO	Portia Tshepiso PT	GOVERNANCE AND SPECIAL PROGRAMMES	PR DA	100	0	0
NQOKO	Alson Falithenjwa PT	FINANCE	PR ANC	88,23	5,88	5,88

Council Member		Full Time/ Part Time FT/PT	Committees Allocated	Ward and Party Represented	% attendance	% Leave of absence	% absenteeism
NTANZA	Veronica Lindiwe	FT	CHAIRPERSON – TECHNICAL SERVICES	ANC	88,23	11,76	0
NTUSI	Lungelo Bennedit	PT	MPAC	PR IFP	94,11	5,88	0
NYAWOSE	Bonginkosi Dennis	PT	TECHNICAL SERVICES	33 ANC	82,35	11,76	5,882353
NYAWOSE	Hoffrey Simosakhe	PT	PUBLIC SAFETY	25 ANC	76,47	5,88	17,64706
NYULEKA	Ncedani	PT	CORPORATE SERVICES	PR ANC	94,11	5,88	0
NZAMA	Khulekani Maxwell	PT	DEVELOPMENT PLANNING	WARD 34- ANC	94,11	5,88	0
PERRYMAN	Tessa	PT	GOVERNANCE AND SPECIAL PROGRAMMES	WARD 13- DA	88,23	11,76	0
PHEHLUKWAYO	Njabulo Roy	PT	COMMUNITY SERVICES AND	WARD 8 - ANC	88,23	5,88	5,882353

Council Member	Full Time/ Part Time FT/PT	Committees Allocated	Ward and Party Represented	% attendance	% Leave of absence	% absenteeism
		PUBLIC SAFETY				
RAJARAM	Ajith PT	TECHNICAL SERVICES	WARD 17 DA	94,11	5,88	0

Appendix B: Municipal Committees

Committees (other than Mayoral / Executive Committee) and Purposes of Committees	
Municipal Committees	Purpose of Committee
Community Services Portfolio Committee	Assists the Executive Committee by advising the Executive Committee on legislation, prevention and enforcement mechanisms, which are within the financial and administrative capacity of the Municipality; Overseeing the enforcement of municipal bylaws and other applicable laws by municipal employees and functionaries in order to ensure that municipal employees and functionaries involved in law enforcement are accountable to a democratically elected body; Overseeing certain municipal services, including health, cultural, cleansing and maintenance services; and To pay attention to educational and

Committees (other than Mayoral / Executive Committee) and Purposes of Committees	
Municipal Committees	Purpose of Committee
	welfare services in general as they apply to the entire municipality.
Corporate Services Portfolio Committee	The object of the Corporate Services Portfolio Committee is to assist the Executive Committee by advising the Executive Committee on: - The leasing, letting, hiring and alienation of the goods and intellectual property of the municipality in accordance with a system which is fair, equitable, transparent, competitive and cost-effective. Implementing and maintaining an effective and efficient information technology system, catering for all the needs of the municipality. Obtaining proper legal services for the municipality. Providing adequate, effective and efficient secretarial, agenda and minuting services to the Municipal Council and its committees. Acquisition and provision of adequate municipal office and related accommodation. Implementation and maintenance of an approved record system. Carrying out of certain ancillary functions.

Committees (other than Mayoral / Executive Committee) and Purposes of Committees		
Municipal Committees		Purpose of Committee
		To provide acceptable Environmental Assistance Programmes, Wellness and Occupational Health and Safety initiatives To promote and uphold principles of Good Governance, Legal compliance and to provide effective legal administrative support To manage and monitor expenditure of fuel and repairs/maintenance on municipal fleet; and Ensuring that the values and principles set out in Section 195 of the Constitution are promoted throughout the municipal administration
Development Services Committee	Planning Portfolio	The object of the Development Planning and Portfolio Committee is to assist the Executive Committee to: - Promote social and economic development. Encourage the involvement of the community of the entire municipality and its community organisations, bodies and institutions in the matters of local government. Participate in National Development Programmes and Provincial Development Programmes. Promote tourism development. To promote local economy through technology innovation.

Committees (other than Mayoral / Executive Committee) and Purposes of Committees	
Municipal Committees	Purpose of Committee
	To ensure that the rural areas, having suffered a historical backlog in service provision, are adequately catered for in the municipal governance and administration of the municipality. To promote job creation through infrastructure development, tourism development and the expanded public works programme. Encourage the involvement of the community of the entire municipality and its community organisations, bodies and institutions in the matters of local government. Promote the implementation of the Integrated Development Plan (IDP). Administering the development planning of the area of jurisdiction of the municipality in such a way that it: - Ensures the provision of services to communities in a sustainable manner. Promotes social and economic development; and Promotes a safe and healthy environment in a manner consistent with the Integrated Development Plan. Administering the compilation and approval of the Integrated Development Plan and strategic planning exercises.

Committees (other than Mayoral / Executive Committee) and Purposes of Committees	
Municipal Committees	Purpose of Committee
	Administering the compilation and approval of the Integrated Development Plan and strategic planning exercises. Administering building control within the municipal area. Ensuring that governmental discretions exercised by the municipality: are democratic, consistent and accountable; and encourage the involvement of the community of the municipality and its community organisations in the matters of the municipality.
Events Co-ordinating Committee	The objectives of the Events Coordinating Committee are, but not limited to, assist the Council on the following: Receiving and processing applications for events in all Council's properties. Approving or disapproving the aforementioned applications in accordance with a system which is fair, equitable and transparent and generally promotes local economic development and tourism in the area of jurisdiction of the Ray Nkonyeni Municipality. Determining the conditions to which such approvals or disapprovals are made.

Committees (other than Mayoral / Executive Committee) and Purposes of Committees		
Municipal Committees		Purpose of Committee
Environmental Committee	Sub -	The sub-committee was called into existence to create a forum where the formal sector (Ray Nkonyeni Municipality) representative could meet and discuss with private sector, non-governmental organizations, community-based organizations and other stakeholders, matters that pertain to wildlife and environmental matters. The sub-committee will endeavour to strike a balance between development and conservation and to ensure that the environment is maintained as far as possible and that development objectives are achieved within accepted environmental practices.
Ethics Committee		The Ethics Committee ("Committee") has been established by Council to ensure compliance with the Code of Conduct ("Code"), set out in Schedule 1 of the Local Government: Municipal Systems Act 32 of 2000 ("Systems Act"), in the Municipal Council and Council Committees. Item 14(1)(b) of the Code provides that a Municipal Council may establish a special committee to investigate and make a finding on any alleged breach of the Code and make appropriate recommendations to the Municipal Council. Item 14(7) of the Code provides that any investigation in terms of Item 14 must be in accordance with the rules of natural justice. Section 79(1) of the Local Government: Municipal Structures Act 117 of 1998 ("Structures Act") provides that a Municipal Council may establish

Committees (other than Mayoral / Executive Committee) and Purposes of Committees	
Municipal Committees	Purpose of Committee
	committees necessary for the effective and efficient performance of any of its functions or the exercise of any of its powers and appoint members of such a committee from among its members.
Finance & Budget Portfolio Committee	The object of the Finance and Budget Portfolio Committee is to assist the Executive Committee in maintaining sound, viable and generally accepted financial systems by: Administering the capital and operational budgets of the Municipal Council. Encouraging the involvement of the community of the municipality and its community organisations and institutions in the matters of the municipality. Ensuring that the governmental discretions exercised by the municipality are democratic, consistent and accountable; and Administering Council's assets
Governance Portfolio Committee	The object of the Governance and Special Programmes Portfolio Committee is to assist the Executive Committee by advising the Executive Committee on: - To ensure that adequate, effective and efficient Mayoral and Executive support and communication service; To ensure that the IDP is developed within statutory provisions;

Committees (other than Mayoral / Executive Committee) and Purposes of Committees	
Municipal Committees	Purpose of Committee
	To ensure implementation of effective OPMS; To ensure a credible Annual Report for every financial year is compiled; To ensure visible participation and alignment to district vision and goals; To ensure the promotion of a culture of participatory democracy and social cohesion; To ensure Municipal Transformation and Organisational Development; To ensure fraud and corruption free organisation is built; To ensure a conducive work environment to enable increased staff productivity; To ensure improved accountability and clean administration; To ensure improved municipal branding and image through effective communication; To ensure alleviation against multi-dimensional impact of HIV & AIDS in the communities & contributing towards curbing new infections; To ensure that ECD institutions are run effectively; To ensure provision of care & empowerment of the disabled; To ensure provision of care & healthy living of the senior citizens; To ensure provision

Committees (other than Mayoral / Executive Committee) and Purposes of Committees	
Municipal Committees	Purpose of Committee
	of care & healthy living of the senior citizens; To provide support towards improved quality of education and lives of learners; To ensure well-informed communities, who are empowered and aware of their rights; To ensure that the values and principles set out in Section 195 of the Constitution are promoted throughout the municipal administration.
Grants in Aid	The object of the Grants- in- aids Sub-committee is to consider the grants in aids applications received and ensure that the criteria set out has been adhered to.
HIV & AIDS co-ordinating forum	The main purpose of the council is to coordinate all the HIV & AIDS endeavours of the Ray Nkonyeni Municipality (RNM)
Local Labour Forum	The Local Labour Forum, in terms of section 79 of the Act:- must seek to promote the interests of all employees in the work-place, whether or not they are trade union members; must seek to enhance efficiency in the work-place; is entitled to be consulted by the employer, with a view to reaching consensus about the matters referred to in section 84 and is entitled to participate in joint decision-making about the matters referred to in section 86.

Committees (other than Mayoral / Executive Committee) and Purposes of Committees	
Municipal Committees	Purpose of Committee
MPAC (SCOPA)	The MPAC will assist council to hold the executive and municipal entities to account, and to ensure the efficient and effective use of municipal resources. By so doing, the MPAC would help to increase council and public awareness of the financial and performance issues of the municipality and its entities. Will provide a report on the performance regarding the Service Delivery and Budget Implementation Plan (SDBIP) to Council, and will also promote accountability to the local community; and The annual report shall be submitted to Council by 31 January annually thereafter Council shall consider and adopt the annual report within two months of it being submitted and discussed.
Public Safety Portfolio	The objective of the Safety and Security Portfolio Committee is to assist the Executive Committee to promote a safe environment by: - - Advising on legislation, prevention and enforcement mechanisms which are within the financial and administrative capacity of the municipality; Overseeing the enforcement of municipal law by municipal functionaries and municipal employees in order to ensure that municipal functionaries and municipal employees involved in law enforcement are accountable to a democratically elected body and Overseeing certain municipal services.

Committees (other than Mayoral / Executive Committee) and Purposes of Committees	
Municipal Committees	Purpose of Committee
Technical Services Portfolio	The object of the Technical Services Portfolio Committee is to assist the Executive Committee to ensure the provision of Human Settlements and Infrastructural services to the communities of the municipality in a sustainable manner by: Advising on legislation and service delivery mechanisms, which are within the financial and administrative capacity of the municipality. Overseeing the delivery of certain municipal services and facilities; and Ensuring, subject to any policy that the Municipal Council may determine in terms of any National and Provincial Legislation made in terms of Section 217 (3) of the Constitution prior to the date referred to in Item 21 (4) of Schedule 6 to the Constitution, that when the municipality contracts for goods and services, it does so in accordance with a system which is fair, equitable, transparent, competitive and cost-effective. The provision of Technical Services to the community of the municipality in a sustainable manner by overseeing Technical, human and settlements and infrastructure development and administration.
Youth	To assist Council to formulate a Youth Policy for the Ray Nkonyeni Municipality; To provide a forum for the coordination of all youth

Committees (other than Mayoral / Executive Committee) and Purposes of Committees	
Municipal Committees	Purpose of Committee
	related activities within the RNM area; To develop an appropriate strategy that will enable the municipality to meet its policy commitments and legal obligations to the youth
Budget Steering Committee	The responsibilities of the Budget Steering Committee can be defined as compliance with legal provisions of MFMA, the Municipal Budget and Reporting Regulations as well as National Treasury circulars issued from time to time dealing with budgetary matters.
Council	Section 4 of the Municipal Systems Act 2000 (Act no. 32 of 2000) provides that the municipal council must govern on its own initiative the local community affairs of the local community. In doing so it must, within the municipality's financial and administrative capacity and having regard for practical considerations: - a) exercise the municipality's executive and legislative authority and use the resources of the municipality in the best interests of the community. b) provide, without favour or prejudice, democratic and accountable government. c) encourage the involvement of the community.

Committees (other than Mayoral / Executive Committee) and Purposes of Committees	
Municipal Committees	Purpose of Committee
	d) strive to ensure that municipal services are provided to the community in a financially and environmentally sustainable manner. e) consult the community about the level, quality, range and impact of municipal services and the available options for service delivery. f) give members of the community equitable access to the municipal services to which they are entitled. g) promote and undertake development in the municipality. h) promote gender equity in the exercise of the municipality's executive and legislative authority. i) promote a safe and healthy environment in the municipality; and j) contribute, together with other organs of state, to the progressive realisation of the fundamental rights contained in sections 24, 25, 26, 27 and 29 of the Constitution. The Municipal Systems Act 2000 (Act no. 32 of 2000) assigns more functions to the municipal council. The executive and legislative authority of the municipality is exercised by the municipal council, and the council takes all decisions of the

Committees (other than Mayoral / Executive Committee) and Purposes of Committees	
Municipal Committees	Purpose of Committee
	municipality, except where the council has delegated the decision making to another structure. The Act prevents the municipal council from delegating the following functions: • Approval of the Integrated Development Plan. • Approval of the Performance Management System. • Approval of the staff establishment (organogram). Appointment of the Municipal Manager and Managers directly accountable to the Municipal Manager; and • The Regulations on the appointment and conditions of employment for Senior Managers of 2014 assign the following responsibilities to municipal councils: - • Approval of the staff establishment which must be submitted by the Municipal Manager; and • Submission of a written report to the MEC for local government regarding the appointment process and outcome in the employment of Municipal Managers and managers directly accountable to the Municipal Managers.

Committees (other than Mayoral / Executive Committee) and Purposes of Committees	
Municipal Committees	Purpose of Committee
	The Municipal Finance Management Act 2003 (Act No. 53 of 2003) imposes the following financial obligations on every municipal council: - • Approval of the budget of the municipality. • Oversight over tabling of annual budget. • Oversight on approval of service delivery and budget implementation plans. • Oversight on the signing of annual performance agreements; and • Adopt and annually review Supply Chain Management Policy
EXCO	The Executive Committee is the principal committee of the council of the municipality and as such receives reports from the other committees of the council which are established in terms of Section 80 of the Municipal Structures Act to support the Executive Committee. The Executive Committee considers these reports and disposes of those which the committee is authorised to decide on in terms of its delegated powers and forward reports on any non-delegated functions, together with its recommendations to the municipal council for decision.

Committees (other than Mayoral / Executive Committee) and Purposes of Committees	
Municipal Committees	Purpose of Committee
TROIKA	The TROIKA is a meeting whose purpose is to ensure effective political management of the institution. TROIKA has to convene frequently in order to discuss governance issues within the institution and ensure smooth running of operations. Amongst its duties, it is responsible for: i. Consideration of Council agenda; ii. Ensuring that items brought to Council are competent; iii. Facilitation of the political management of the Council meeting; iv. Ensuring smooth running of the Council; v. Facilitation of a common understanding amongst the political offices on items before Council; vi. Consideration of any other issues relating to the functionality of the Municipality; and vii. Take such action as may be necessary to ensure compliance by the Council with all legislation related to or affecting Local Government, including, but not limited to: -

Committees (other than Mayoral / Executive Committee) and Purposes of Committees	
Municipal Committees	Purpose of Committee
	- The Constitution of the Republic of South Africa (1996) - The Local Government: Municipal Demarcation Act (1998) - The Local Government: Municipal Systems Act (2000) - The Promotion of Access to Information Act (2000) - The Municipal Finance Management Act (2003) - Intergovernmental Relations Framework Act (2005).
Women's Caucus	Lobby the municipality to develop, promote and implement gender policies and thereafter monitor and evaluate the impact of these policies; Oversee that there are optimal women participation on the IDP and budget processes since they are gender sensitive; Advise and lobby for municipal interventions to enhance economic growth of women; Monitor that the municipality reaches its employment equity targets at all levels of decision making; Create public awareness about government policies and programmes aimed at the advancement of women and children's rights and the rights of the aged;

Committees (other than Mayoral / Executive Committee) and Purposes of Committees	
Municipal Committees	Purpose of Committee
	Advocate and commission research on the impact of gender policies on women and children (girl) at the community level

Appendix C: Third Tier Management Structure

Third Tier Structure		
Department	Title	Details
Office of the Municipal Manager	Manager: Internal Audit & Risk Management	Ms. S Gambushe
	Manager: MM's Office	Ms. Y Mhlamvu
	Manager Legal Services	Ms. R. Devanarain
Corporate Services	Manager: Human Resources	Vacant
	Manager: Labour Relations & Wellness	Mr. A Mdeleleni
	Manager: Estates Administration	Ms. P Tom
	Manager: Information Technology	Ms. S Qwabe
	Manager: Administration	Ms. G Naicker
Technical Services	Manager: Human Settlements	Vuyokazi Khawula
	Manager: Project Management Unit	Mr. KB Msomi
	Manager: Roads & Stormwater	Mr. B Mnguni
	Manager: Electrical Engineering	Ms. CN Sihlali
	Manager: Projects Finance	Mr. J Brajlal

	Manager Mechanical Engineering	Vacant
	Manager: Facilities Management	Mr. KI Mchunu
Community Services	Manager: Arts & Culture	Ms. TR Khawula
	Manager: Education and Waste Minimisation	Ms. Z Mzimela
	Manager Waste Management	Mr. P Sithole (North)
		Mr. S Khumalo (South)
	Manager: Aquatic Safety	Mr. SN Langeni
Public Safety	Manager: Motor Licensing Bureau	Mr. SV Goldsmith
	Superintendent: Operations	Mr. S Ngcaku
	Superintendent: Public Transport & Administration	Mr. R Robinson
	Manager: Fire & Disaster Management	Ms. ZI Mbokazi
Development Services Planning	Senior Manager: Building Control	Mr. N Naidoo
	Manager: Town Planning	Ms. NP Sithole
	Manager: Environmental Management & Signage Control	Ms. FP Mhlongo
	Manager: Local Economic Development	Mr. PC Khambule
	Manager: Aviation services	Ms. Y Van Rensburg
	Manager Techno Hub	Mr. SSV Nikelo
	Senior Manager: Strategic Planning	Ms. Z Ndabezitha
Strategic Planning & Governance	Manager: Mayoralty and Communications	Mr. SM April
	Manager: Stakeholder Relations & Customer Care	Mr. XP Dlangalala
	Manager: Youth Development	Ms. S Ngwabe
	Manager: Speaker's Office	Mr. S Mthembu

	Manager: Special Programmes	Vacant
	Manager: Performance Monitoring & Evaluation	Ms. N Bhengu
Treasury	Manager: Budget & Reporting	Vacant
	Manager: Revenue	Mr. RS Dlamini
	Manager: Expenditure	Mr. NP Nondlekazi
	Manager: Supply Chain Management	Mr. N Mavundla
	Manager: Assets Management	Mr. V Gqoboka

Appendix D: Municipal Functions

Powers & Functions (List)	Status in performing power and function)	Service Provider /municipality performing these Powers and Functions
Air pollution	S	UGU District Municipality
Building Regulations	Y	RNM
Child Care facilities	S	UGU District Municipality
Electricity Reticulation	S	Eskom
Fire prevention and control	Y	RNM
Local Tourism	S	UGU & Tourism Assoc
Municipal Airports	S	HCM & service Provider
Municipal Planning	Y	RNM
Municipal Health Services	X	UGU District Municipality
Municipal Public Transport	X	UGU District Municipality

Powers & Functions (List)	Status in performing power and function)	Service Provider /municipality performing these Powers and Functions
Harbors and Ferries	Y	RNM
Storm Water Management	S	UGU District Municipality
Trading Regulations	S	UGU District Municipality
Water and Sanitation	X	UGU District Municipality
Beaches and amusement parks	Y	RNM
Billboards, Public Advertising	Y	RNM
Traffic and Parking	Y	RNM
Street trading	Y	RNM
Cemeteries and crematoria	Y	RNM
Cleansing and Maintenance	Y	RNM
Control of Public Nuisances	Y	RNM
Control of Liquor Licenses	X	Liquor Board & SAPS
Animal care, burial and pounds	S	SPCA
Fences and Fencing	Y	RNM
Licensing of dogs	Y	RNM
Food licenses	X	UGU District Municipality
Local amenities	Y	RNM
Local sport	Y	RNM

Powers & Functions (List)	Status in performing power and function)	Service Provider /municipality performing these Powers and Functions
Street lighting	X	Eskom
Markets	X	UGU District Municipality
Municipal Abattoirs	X	UGU District Municipality
Municipal Parks and Recreation	Y	RNM
Municipal Roads	Y	RNM
Noise pollution	Y	RNM
Public places	Y	RNM
Refuse removal and solid waste	Y	RNM
Waste water treatment plant	X	UGU District Municipality

Notes X = not RNM function Y = RNM function S = shared with other service providers / institutions

Appendix E: Ward Reporting

Functionality of Ward Committees					
Ward Number	Name of Ward Cllr & Elected ward committee members	Committee established (Yes/No)	Number of quarterly committee meetings held during the year (3 per quarter)	Number of quarterly reports submitted to speakers' office on time	Number of quarterly public meetings held during the year (3 per quarter)
Ward 01	Cllr Stephanie Breedt Simphiwe Hlophe Simphiwe Cele Jascque De la Harpe Debbie Rudder Nkululeko Mboniswa Superman Vusi Ngeleka Nhlanhla Mthuli Thabani Mbewana	YES	12	04	12
Ward 02	Cllr Alan Bosch Herman Franker Silindile Innocentia Mhlambi Andiswa Happiness Zoko Lwazi Khohli	YES	12	04	11

Functionality of Ward Committees					
Ward Number	Name of Ward Cllr & Elected ward committee members	Committee established (Yes/No)	Number of quarterly committee meetings held during the year (3 per quarter)	Number of quarterly reports submitted to speakers' office on time	Number of quarterly public meetings held during the year (3 per quarter)
	Stephan Herbst Mvumikazi Tsewu				
Ward 03	Cllr Paul Edward Brauteseth Johanna Hanli Konig Louis Boshoff Scott Kvaligh Sthembiso Msele Luleka Magigaba	YES	12	04	05
Ward 04	Cllr Bhekani David Chiliza Gloria Zonke Ngwane Agnes Tholakele Dlezi Simangele Lushaba Thulasizwe Chiliza Njabulo Ngwabe	YES	12	04	12

Functionality of Ward Committees					
Ward Number	Name of Ward Cllr & Elected ward committee members	Committee established (Yes/No)	Number of quarterly committee meetings held during the year (3 per quarter)	Number of quarterly reports submitted to speakers' office on time	Number of quarterly public meetings held during the year (3 per quarter)
	Nozipho Lubanyana Defries Lushaba				
Ward 05	Cllr Rodney Phumlani Gumbi Lindokuhle Nzama Nonhlanhla Mbhele Ntombizandile Zoko Alwande Mbatha Philip Gamede Zintle Talatala Makhosazane Langeni Hloniphekile Ndlovu	YES	12	04	12

Functionality of Ward Committees					
Ward Number	Name of Ward Cllr & Elected ward committee members	Committee established (Yes/No)	Number of quarterly committee meetings held during the year (3 per quarter)	Number of quarterly reports submitted to speakers' office on time	Number of quarterly public meetings held during the year (3 per quarter)
Ward 06	Cllr Jean Schmidt Joan Robins Kayakazi Nsisane Thobeka Mkhize Mduduzi Thabo Mbanjwa Elzette Didloff	YES	12	04	12
Ward 07	Cllr Nkululeko Lovelace Mbuyisa Phumlile Ncane Msondezwa Robson Ngcungama Nokulunga Ngilande Zaba Shusha Robert Mangena Ndovela Nompumelelo Ntuli	YES	12	04	12

Functionality of Ward Committees					
Ward Number	Name of Ward Cllr & Elected ward committee members	Committee established (Yes/No)	Number of quarterly committee meetings held during the year (3 per quarter)	Number of quarterly reports submitted to speakers' office on time	Number of quarterly public meetings held during the year (3 per quarter)
	Khanya Ntsebesha				
Ward 8	Cllr Njabulo Roy Phehlukwayo Thandeka Mlambo Mthokozisi Cwele Bongeka Ndovela Phumlile Yalo Sibusiso Yalo Senzo Xolo Sipho Vivian Xolo Sphumelele Khowa Zwelonke Andries Jama Thuthukani Ncane	YES	12	04	12
Ward 9	Cllr Sinqobile Mngomezulu Dumisani Ngcungama Hlengiwe Dlezi	YES	12	04	12

Functionality of Ward Committees					
Ward Number	Name of Ward Cllr & Elected ward committee members	Committee established (Yes/No)	Number of quarterly committee meetings held during the year (3 per quarter)	Number of quarterly reports submitted to speakers' office on time	Number of quarterly public meetings held during the year (3 per quarter)
	Joyce Mlambo Sodliwa Wilfred Bixi Bhekani Ncane Nelson Nzama Leon de Jager				
Ward 10	Cllr Mduduzi Silangwe Balekwa Ntozakhe Mthokozisi Andile Dlaminii Zwelisha Mjaja Tholakele Ignatia Ncane Sbonelo Mbokazi Judy Happiness Mpisana Sporo Ngeleka Nkosinathi Michael Mzindle	YES	12	04	12
Ward 11	Cllr Mxolisi Derrick Jula Nelisiwe Ndovela	YES	12	04	12

Functionality of Ward Committees					
Ward Number	Name of Ward Cllr & Elected ward committee members	Committee established (Yes/No)	Number of quarterly committee meetings held during the year (3 per quarter)	Number of quarterly reports submitted to speakers' office on time	Number of quarterly public meetings held during the year (3 per quarter)
	Thabisile Ruth Khubheka Sbonelo Jeffrey Shusha Pinky Princess Nyawose Nokuzola Luthuli Khanyisile Nzimakwe Robert Gumede Leon Kotze Nigel Temple-Murray Nozipho Ngeleka				
Ward 12	Cllr Leon Armin Garbade Petra Rickson Raji Harrietpersadh Razia Mabrouk Sphiwe Ngule Angela Musa	YES	12	04	12

Functionality of Ward Committees					
Ward Number	Name of Ward Cllr & Elected ward committee members	Committee established (Yes/No)	Number of quarterly committee meetings held during the year (3 per quarter)	Number of quarterly reports submitted to speakers' office on time	Number of quarterly public meetings held during the year (3 per quarter)
Ward 13	Cllr Tessa Perryman Pierre Joubert Bernice Dannhauser Sithembiso Cele Nokuzola Nonzanga Elliot Mkhandi Musa Majola Glenda Snyman	YES	12	04	11
Ward 14	Cllr Thamsanqa Patric Madlala Mxolisi Madlala Ntombikhona Mkhize GUGU Madlala Thabo Sishi Nomusa Ngcobo Russel Madlala Nondumiso Malunga	YES	12	04	12

Functionality of Ward Committees					
Ward Number	Name of Ward Cllr & Elected ward committee members	Committee established (Yes/No)	Number of quarterly committee meetings held during the year (3 per quarter)	Number of quarterly reports submitted to speakers' office on time	Number of quarterly public meetings held during the year (3 per quarter)
	Alexander Mchunu				
Ward 15	Cllr Jerome Sifundo Ngwane Zandile Mvuna Nelisiwe Mkhize Zinhle Qwabe Nhlanhla Mzobe Sihle Gumede Delizazi V Hlophe Erick M. Mbili Thabani Delwa	YES	12	04	08
Ward 16	Cllr John Williams Bonga Skrweqe Nazir Shaik Jacobus Strydom Lucia Joan Gallagher Christian Viljoen Carol Meth Zandile Mani	YES	12	04	06

Functionality of Ward Committees					
Ward Number	Name of Ward Cllr & Elected ward committee members	Committee established (Yes/No)	Number of quarterly committee meetings held during the year (3 per quarter)	Number of quarterly reports submitted to speakers' office on time	Number of quarterly public meetings held during the year (3 per quarter)
Ward 17	Cllr Ajith Rajaram Dineshwarin Pillay Sunil Singh Jessie Naidoo Nellie Ngubane Dumisani Madlala Joshua Ko Bhengu Tozi Cynthia Gwala	YES	12	04	12
Ward 18	Cllr Douglas Rawlins Nonceba Gigaba Evening Mkhize Nosipho Mkhize Mpunzi Pepeta Priyen Chetty	YES	12	04	05
Ward 19	Cllr George Henderson John Henry Helmand	YES	12	04	06

Functionality of Ward Committees					
Ward Number	Name of Ward Cllr & Elected ward committee members	Committee established (Yes/No)	Number of quarterly committee meetings held during the year (3 per quarter)	Number of quarterly reports submitted to speakers' office on time	Number of quarterly public meetings held during the year (3 per quarter)
	Gerhardus Coetzee Barend Smit Victoria Botha Michelle Mole Herbst Carina Erick Labuschagne				
Ward 20	Cllr Xolani Alpheus Gasa Jeffery Gumede Constance Moyiko Goodone Vusi Shibe Steven Sentsburg BigshotJerome Mthwane Simphiwe Sima Joseph Mbotho Obed Vusumuzi Mlambo	YES	12	04	11

Functionality of Ward Committees					
Ward Number	Name of Ward Cllr & Elected ward committee members	Committee established (Yes/No)	Number of quarterly committee meetings held during the year (3 per quarter)	Number of quarterly reports submitted to speakers' office on time	Number of quarterly public meetings held during the year (3 per quarter)
Ward 21	Cllr Musawenkosi Pius Koli Sibusiso Nkabane Thandi Cwele Nhlanhla Luthuli Zanele Nyawuza Zinhle Nolwandle Ndimeni Nkosinathi Handsome Khawula	YES	12	04	09
Ward 22	Cllr Samuel Sbonelo Hadebe Thobani Chiliza Thulani Xolo Ndumiso innocent Hadebe Nosipho Cherol Mbutho Ndabo Shezi	YES	12	04	06

Functionality of Ward Committees					
Ward Number	Name of Ward Cllr & Elected ward committee members	Committee established (Yes/No)	Number of quarterly committee meetings held during the year (3 per quarter)	Number of quarterly reports submitted to speakers' office on time	Number of quarterly public meetings held during the year (3 per quarter)
	Zama -June rose Shange Babhekile Lucia Ntobela Ayanda Dlamini				
Ward 23	Cllr Bheki Wiseman Cele Sthabiso Ntobela Blondy Ntuli Nkosinathi Bhengu Xolani Mthembu Bhekani Nicholas Sincadu Nonhlanhla Zondi Bhekizizwe Diya Sthembele Mdunjana	YES	12	04	12
Ward 24	Cllr Thabiso Jingela Nonzwakazi Nzama Xolani Ndovela	YES	12	04	12

Functionality of Ward Committees					
Ward Number	Name of Ward Cllr & Elected ward committee members	Committee established (Yes/No)	Number of quarterly committee meetings held during the year (3 per quarter)	Number of quarterly reports submitted to speakers' office on time	Number of quarterly public meetings held during the year (3 per quarter)
	Bhekisisa Lubanyane Thulani Nzimande Qaphela Mvundla Mduduzi Ngubelanga Siyabonga Myeni Lindiwe Mbili				
Ward 25	Cllr Hoffrey Simosakhe Nyawose Mthokozisi Lekhona Mhlakwana Buyisile Msomi Nozipho Linda Thobekile Khawula Thandokuhle Majola Sakhile Khuzwayo	YES	12	04	05

Functionality of Ward Committees					
Ward Number	Name of Ward Cllr & Elected ward committee members	Committee established (Yes/No)	Number of quarterly committee meetings held during the year (3 per quarter)	Number of quarterly reports submitted to speakers' office on time	Number of quarterly public meetings held during the year (3 per quarter)
	Timothy Lanyakaza Mzindle Promise GUGU Gcaba Sibusiso Sithole				
Ward 26	Cllr Musawenkosi Israel Ngcobo Francis Mbhele Thandazile Nkomo Thabile Khawula Thulani Vincent Mhlongo Nonsikelelo Sincadu Raymond Cele Sinenhlanhla Khanyile Musa Blessing Mavundla	YES	11	04	11
Ward 27	Cllr Mdumiseni Innocent Cele	YES	12	04	12

Functionality of Ward Committees					
Ward Number	Name of Ward Cllr & Elected ward committee members	Committee established (Yes/No)	Number of quarterly committee meetings held during the year (3 per quarter)	Number of quarterly reports submitted to speakers' office on time	Number of quarterly public meetings held during the year (3 per quarter)
	Sizwe Mavundla Bongani Dindikazi Nokubonga Shezi Thokozani D. Mendu Thembi Nyawose Sanele Phehlukwayo Nozipho Nikhiwe Zithulele Blose				
Ward 28	Cllr Bekithemba Victor Zulu Collin Ndovela Zakhele Mkhungo Bheki Danca Ntokozo Mdingi Solomzi Sondzaba Andile Mseleku Makhosazane Ntaka	YES	12	04	12

Functionality of Ward Committees					
Ward Number	Name of Ward Cllr & Elected ward committee members	Committee established (Yes/No)	Number of quarterly committee meetings held during the year (3 per quarter)	Number of quarterly reports submitted to speakers' office on time	Number of quarterly public meetings held during the year (3 per quarter)
	Edmond Gumbi				
Ward 29	Cllr Steven Ziphathale Sima Lucky Nhlanhla Ndovela Fundile Julia Thembinkosi Mpangele Mluleki Ngcongco Iviwe Langazane Zime Julia Vusi Zulu	YES	11	04	07
Ward 30	Cllr Sifiso Advocate Ngcece Lungi Masoka Philani Perfect Danca Lwazi Andries Nqakazi Makabongwe Nyawose Lucky Nyawose	YES	12	04	12

Functionality of Ward Committees					
Ward Number	Name of Ward Cllr & Elected ward committee members	Committee established (Yes/No)	Number of quarterly committee meetings held during the year (3 per quarter)	Number of quarterly reports submitted to speakers' office on time	Number of quarterly public meetings held during the year (3 per quarter)
	Nontuthuzelo Cele Ntombifuthi Zulu Thembokwakhe Cele Wakhowakhe Mfeka Mthokozisi Moses Gambushe				
Ward 31	Cllr Malusi Nhlakanipho Tsaulwayo Ntombizethu Penelope Cele Sibongile Patience Mqadi Bonginkosi Mvuna Bongumusa Cele Simangele Angel Nyawose Sibusiso Steven Gansa	YES	12	04	12

Functionality of Ward Committees					
Ward Number	Name of Ward Cllr & Elected ward committee members	Committee established (Yes/No)	Number of quarterly committee meetings held during the year (3 per quarter)	Number of quarterly reports submitted to speakers' office on time	Number of quarterly public meetings held during the year (3 per quarter)
	Khonzani Cele Khumbulani Nzama Sihle Howard Nzimande Hlezi Silindile Ntozakhe				
Ward 32	Cllr Ntombifuthi Joice Danca Sindisiwe Jalubane Linda Mjweni Sindiswa Mbotho Sibongile Shude Siza Zwakele Dindi Sibongiseni Xolo Bongani Cyril Ntaka Zandile Ndovela Mjabulelwa Milton Malishe Mthobisi Ncane	YES	12	04	12

Functionality of Ward Committees					
Ward Number	Name of Ward Cllr & Elected ward committee members	Committee established (Yes/No)	Number of quarterly committee meetings held during the year (3 per quarter)	Number of quarterly reports submitted to speakers' office on time	Number of quarterly public meetings held during the year (3 per quarter)
Ward 33	Cllr Bonginkosi Dennis Nyawose Nompilo Hlongwa Ncamisile Mqadi Mxolisi Maxwell Ngwazi Thandeka Nyawose Siphumelele Mavundla Thulani Cele Khanyisile Mavundla Zakhele Gambule Bongani Ngwazi	YES	12	04	12
Ward 34	Cllr Khulekani Maxwell Nzama Scelo Innocent Ngcobo Cosmos Khawula Philani Mbanjwa	YES	12	04	12

Functionality of Ward Committees					
Ward Number	Name of Ward Cllr & Elected ward committee members	Committee established (Yes/No)	Number of quarterly committee meetings held during the year (3 per quarter)	Number of quarterly reports submitted to speakers' office on time	Number of quarterly public meetings held during the year (3 per quarter)
	Msawakhe Dladla Khulekani Gumede Bongekile Khakhuse Bancane Cwele Ningi Vilakazi Zinhle Nzama Bakhethile Zindela				
Ward 35	Cllr Zinhle Phindile Majiya Zesuliwe Gasas Edward Sibongiseni Gigaba Solomon Zindela Bonakele Vethe Mzuvela Cebisa Makhekhe Mhlungu Jabulani Duncan Mthuli	YES	12	04	12

Functionality of Ward Committees					
Ward Number	Name of Ward Cllr & Elected ward committee members	Committee established (Yes/No)	Number of quarterly committee meetings held during the year (3 per quarter)	Number of quarterly reports submitted to speakers' office on time	Number of quarterly public meetings held during the year (3 per quarter)
	Selby Siyabonga Mvundla Phumzile Mbhele				
Ward 36	Cllr Godfrey Sibusiso Shange Khumbuzile Mlele Mthobisi Mbali Bawinile Lindiwe Gumede Eunice Nobuhle Mzobe Mboneni Mdleko Mxolisi Ncayiyana Sindisiwe Diya	YES	12	04	12

Appendix F: Ward Information

Capital Project	Ward(s) affected	Works completed (Yes/No/In Progress)	Date of completion	Number of completed units	Appointed Service Provider/Contractor	Work completed: Level Good/Satisfactory/Not satisfactory	If not satisfactory please explain steps taken to improve performance	Number of Jobs created for Local Community	Source of Funding	Original Budget	Adjusted Budget	Actual Value of work completed
CLUSTER 1												
LONJANI TO KHUMBUZA ROAD WARD 30	30	Yes	June 2024	3.5km	Siyan da Investments	Satisfactory	N/A	12	IUDG	R8,180,792.26	R8,180,792.26	R8,180,792.26
IZINGOLWENI HALL RENOVATIONS	33	No	N/A	1	Not yet appointed	N/A	Project on tender evaluation stage	0	IUDG	R 500 004	R 500 004	R 500 004
NKULU COMMUNITY HALL IN WARD 36	36	Yes	June 2024	1	Mchilobomvu Civils CC	Satisfactory	N/A	11	IUDG	R3,000,000.00	R140,692.00	R0.00
BOMVINI SCHOOL ROAD - WARD 35	35	Yes	March	0	MADSTOF	Satisfactory	N/A	12	IUDG	R 4 999 996	R 4 999 996	R5 323

Capital Project	Ward(s) affected	Works completed (Yes/No/In Progress)	Date of completion	Number of completed units	Appointed Service Provider/Contractor	Work completed: Level Good/Satisfactory/Not satisfactory	If not satisfactory please explain steps taken to improve performance	Number of Jobs created for Local Community	Source of Funding	Original Budget	Adjusted Budget	Actual Value of work completed
			2025									433.95
ROAD REGRAVELLING AND CONCRETE SECTIONS - WARD 34	34	Yes	March 2025	2km	Mbovu Dynamics	Satisfactory	N/A	5	IUDG	R 2 299 996	R 2 299 996	R 2 299 996
<u>CLUSTER 2</u>												
REPAIRS TO MBHELE PEDESTRIAN BRIDGE - WARD 29	29	Yes	June 2025	1	Sezandile Trading and Projects	Satisfactory	N/A	9	IUDG	R 2 999 996	R 2 999 996	R 2 999 996
NHLANJENI VEHICULAR BRIDGE - WARD 9	8	Progress	N/A	0	NSAYIZI CONSTRU	Satisfactory	N/A	7	IUDG	R2, 000, 000	R 1 999 996	R 1 999 996

Capital Project	Ward(s) affected	Works completed (Yes/No/In Progress)	Date of completion	Number of completed units	Appointed Service Provider/Contractor	Work completed: Level Good/Satisfactory/Not satisfactory	If not satisfactory please explain steps taken to improve performance	Number of Jobs created for Local Community	Source of Funding	Original Budget	Adjusted Budget	Actual Value of work completed
					CTION							
NGQUMBELO VEHICULAR BRIDGE - WARD 7	7	No	N/A	0	Contractor not yet appointed	N/A	Project on detailed design stage	0	IUDG	R0	R0	R0
MGODLWA BRIDGE - WARD 8	8	No	N/A	0	Contractor not yet appointed	N/A	Project on detailed design stage	0	IUDG	R 0	R0	R0
BHAZABHAZA VILLAGE EXTENSION - ELECTRIFICATION WARD 8	8	Progress	N/A	230 connections	B-Mfusi Electrical	Satisfactorily	N/A	6	IUDG	R 1 807 310, 29	R 1 807 310, 29	R 1 807 310, 29

Capital Project	Ward(s) affected	Works completed (Yes/No/In Progress)	Date of completion	Number of completed units	Appointed Service Provider/Contractor	Work completed: Level Good/Satisfactory/Not satisfactory	If not satisfactory please explain steps taken to improve performance	Number of Jobs created for Local Community	Source of Funding	Original Budget	Adjusted Budget	Actual Value of work completed
<u>CLUSTER 3</u>												
PEDESTRIAN BRIDGE EXTENSION WARD 6	36	Yes	N/A	1	Dummy and Them by Trading and Projects JV Chiliza	Satisfactory	N/A	9	IUDG	R 1 799 996	R 1 799 996	R 1 799 996

Capital Project	Ward(s) affected	Works completed (Yes/No/In Progress)	Date of completion	Number of completed units	Appointed Service Provider/Contractor	Work completed: Level Good/Satisfactory/Not satisfactory	If not satisfactory please explain steps taken to improve performance	Number of Jobs created for Local Community	Source of Funding	Original Budget	Adjusted Budget	Actual Value of work completed
NKANYEZINI ROAD - WARD 10	10	Progress	N/A	1	Syanda Sheppy Jv	Satisfactory	N/A	7	IUDG	R 2 059 996	R 2 059 996	R 2 059 996
MANDLA MZELEMU ROAD - WARD 11	11	Progress	N/A	2km	Gramma Solutions	Satisfactory	N/A	10	IUDG	R 9 250 004	R 9 250 004	R 9 250 004
RECONSTRUCTION OF MARGATE HALL - WARD 2	2	Progress	N/A	1	Durosha Investments	Satisfactory	N/A	9	IUDG	R 7 861 042	R 7 861 042	R 7 861 042

Capital Project	Ward(s) affected	Works completed (Yes/No/In Progress)	Date of completion	Number of completed units	Appointed Service Provider/Contractor	Work completed: Level Good/Satisfactory/Not satisfactory	If not satisfactory please explain steps taken to improve performance	Number of Jobs created for Local Community	Source of Funding	Original Budget	Adjusted Budget	Actual Value of work completed
OUTLANDS LANDFILL SITE (CELL 4C) PHASE 2&3	6	Yes	June-24	1	BVi Consulting Engineers	Satisfactory	N/A	8	Internal Funds	R 3 500 000	R 3 500 000	R0
NCUKENI ELECTRIFICATION - WARD 1	1	Yes	June 24	58 connections	D12 Trading and Projects	Satisfactory	N/A	5	INEP	R 858 261	R 858 261	R 858 261

Capital Project	Ward(s) affected	Works completed (Yes/No/In Progress)	Date of completion	Number of completed units	Appointed Service Provider/Contractor	Work completed: Level Good/Satisfactory/Not satisfactory	If not satisfactory please explain steps taken to improve performance	Number of Jobs created for Local Community	Source of Funding	Original Budget	Adjusted Budget	Actual Value of work completed
<u>CLUSTER 4</u>												
CORNER HOUSE RING ROAD - WARD 27	27	Progress	N/A	1.2km	Aphil eh Nandi Trading	Satisfactory	N/A	7	IUDG	R 7 999 992	R 7 999 992	R 7 999 992
NKULU COMMUNITY HALL IN WARD 25	25	Yes	June 2024	0	Many obo Group jv Lungaphi (PTY) LTD	Satisfactory	N/A	10	IUDG	R1, 000, 000. 00	R0	R0. 00
NKANGENI VEHICULAR BRIDGE (Ward 25)	25	Progress	N/A	1	Appil eh Nandi	Satisfactory	N/A	14	IUDG	R 7 899 996	R 7 899 996	R 7 899 996

Capital Project	Ward(s) affected	Works completed (Yes/No/In Progress)	Date of completion	Number of completed units	Appointed Service Provider/Contractor	Work completed: Level Good/Satisfactory/Not satisfactory	If not satisfactory please explain steps taken to improve performance	Number of Jobs created for Local Community	Source of Funding	Original Budget	Adjusted Budget	Actual Value of work completed
		ress			Trading							
ZG HALL ROOF REPAIRS - WARD 28	28	Progress	N/A	1	Vezokungcono Jv ZHJ Holdings	Satisfactory	N/A	5	IUDG	R 150 000 0	R 0.00	R0.00
REPAIRS TO NOSITHA PEDESTRIAN BRIDGE	27	No	N/A	1	Project on Tender evaluation stage	N/A	N/A	0	IUDG	R1,500,000.00	R 766 223	R766 223

Capital Project	Ward(s) affected	Works completed (Yes/No/In Progress)	Date of completion	Number of completed units	Appointed Service Provider/Contractor	Work completed: Level Good/Satisfactory/Not satisfactory	If not satisfactory please explain steps taken to improve performance	Number of Jobs created for Local Community	Source of Funding	Original Budget	Adjusted Budget	Actual Value of work completed
E- WARD 27												
<u>CLUSTER 5</u>												
TATANE SPORTSFIELD - WARD 21	21	Progress	N/A	0	Santo Civils and Transport	Satisfactory	N/A	8	IUDG	R 6 750 004	R 6 750 004	R 6 750 004
MAZUBANE VEHICULAR BRIDGE WARD 21	21	Progress	N/A	0	Mthwana Trading	Satisfactory	N/A	5	IUDG	R2, 000, 000. 00	R0. 00	R0. 00
MBAYIMBAYI MAIN ROAD IN WARD 21	21	No	N/A	0	Detailed design stage under way	N/A	N/A	0	IUDG	R 100 0 000. 00	R 100 0 000. 00	R 100 0 000. 00

Capital Project	Ward(s) affected	Works completed (Yes/No/In Progress)	Date of completion	Number of completed units	Appointed Service Provider/Contractor	Work completed: Level Good/Satisfactory/Not satisfactory	If not satisfactory please explain steps taken to improve performance	Number of Jobs created for Local Community	Source of Funding	Original Budget	Adjusted Budget	Actual Value of work completed
JERUSALEMA VILLAGE ELECTRIFICATION - WARD 22	22	Yes	June 2025	1	Our Kingdom Engineering	Satisfactory	N/A	6	INEP	R2,000,000.00	R3,635,922.00	R 3,487,473.25
<u>CLUSTER 6</u>												
MAZUBANE/DIKWE PEDESTRIAN BRIDGE WARD 20	20	Yes	June 2024	1	Tributary of Success Jv Alunga	Satisfactory	N/A	11	IUDG	R4001005.25	R4001005.25	R4001005.25
REHABILITATION OF MAIN HARDING ROAD	17	Yes	May 2024	2.2km	Bright Idea Projects t/a Margate	Satisfactory	N/A	23	NDPG	R10,000,000.00	R25,955,404.00	R16,280,836.35

Capital Project	Ward(s) affected	Works completed (Yes/No/In Progress)	Date of completion	Number of completed units	Appointed Service Provider/Contractor	Work completed: Level Good/Satisfactory/Not satisfactory	If not satisfactory please explain steps taken to improve performance	Number of Jobs created for Local Community	Source of Funding	Original Budget	Adjusted Budget	Actual Value of work completed
					Construction							
UPGRADING OF REYNOLD STREET - WARD 18	18	Progress	N/A	0	Appileh Nandi Engineering	Satisfactory	N/A	9	NDPG	R 34 782 610	R 34 782 610	R 6 70 0 000
CHIEF ROAD IN WARD 4	4	No	Aug-23	1	Project on tender stage, contractor not yet appointed	N/A	N/A	0	IUDG	R1 000 004	R1 000 004	R1 000 004

Capital Project	Ward(s) affected	Works completed (Yes/No/In Progress)	Date of completion	Number of completed units	Appointed Service Provider/Contractor	Work completed: Level Good/Satisfactory/Not satisfactory	If not satisfactory please explain steps taken to improve performance	Number of Jobs created for Local Community	Source of Funding	Original Budget	Adjusted Budget	Actual Value of work completed
BHOYIBHOYI ELECTRIFICATION - WARD 20	20	Yes	June-25	1	Mbon geni Amahle Trading Projects	Satisfactory	N/A	8	INEP	R 3 415 652	R 3 415 652	R 3 415 652
PORT SHEPSTONE PARK AND BEAUTIFICATION WARD 18	18	No	N/A	0	Project on detailed design stage	N/A	N/A	0	Internal Funds	R 100 0 000	R 100 0 000	R 100 0 000
<u>CLUSTER 7</u>												
MVUZANE ROAD AND VEHICULAR BRIDGE WARD 15	15	On hold	N/A	0	Appileh Nandi	Satisfactory	Project stopped due to	11	IUD G	R4, 000, 000	R0	R0

Capital Project	Ward(s) affected	Works completed (Yes/No/In Progress)	Date of completion	Number of completed units	Appointed Service Provider/Contractor	Work completed: Level Good/Satisfactory/Not satisfactory	If not satisfactory please explain steps taken to improve performance	Number of Jobs created for Local Community	Source of Funding	Original Budget	Adjusted Budget	Actual Value of work completed
					Trading		business forums					
NKANDLA BRIDGE - WARD 14	14	No	N/A	0	Project of detailed design stage	N/a	N/A	0	IUDG	R10 00 000.00	R10 00 000.00	R10 00 000.00
HIBBERDENE MARKET STALLS IN WARD 13	13	Yes	March 2025	1	Highpoint Trading 367 Cc	Satisfactory	N/A	8	Market Stalls Grant	R 3 873 105.76	R 3 873 105.76	R 3 873 105.76
<u>MUNICIPAL WIDE PROJECTS</u>												
STAFF DEPOT ABLUTION FACILITIES	18	No	N/A	1	Vikinduku PM Jv	Good	N/A	7	Internal	R 5 170 000	R 5 170 000	R 3 200 000

Capital Project	Ward(s) affected	Works completed (Yes/No/In Progress)	Date of completion	Number of completed units	Appointed Service Provider/Contractor	Work completed: Level Good/Satisfactory/Not satisfactory	If not satisfactory please explain steps taken to improve performance	Number of Jobs created for Local Community	Source of Funding	Original Budget	Adjusted Budget	Actual Value of work completed
					Ngethes Trading				Funds			
URBAN ROAD AND STORMWATER REHABILITATION	Various	No	Jun-25	200m	Different Service Providers	Satisfactory	N/A	11	Internal Funds	R 5 000 004	R 5 000 004	R 3 500 000 0.00
RURAL ROAD AND STORMWATER REHABILITATION (IUDG)	Various	Yes	Jun-24	2.8km	Different Service Providers	Satisfactory	N/A	70	IUDG	R10 ,000 ,000 .00	R10 000 000 .00	R10 000 000 .00
RURAL ROAD AND STORMWATER REHABILITATION	Various	Yes	Jun-24	2.8km	Different Service	Satisfactory	N/A	70	Internal	R10 ,000 ,000 .00	R10 000 000 .00	R10 000 000 .00

Capital Project	Ward(s) affected	Works completed (Yes/No/In Progress)	Date of completion	Number of completed units	Appointed Service Provider/Contractor	Work completed: Level Good/Satisfactory/Not satisfactory	If not satisfactory please explain steps taken to improve performance	Number of Jobs created for Local Community	Source of Funding	Original Budget	Adjusted Budget	Actual Value of work completed
	us				Providers							
INSTALLATION OF NEW SOLAR STREET LIGHTS	Various	Yes	Jun-23	12	Different Service Providers	Satisfactorily	N/A	6	IUDG	R1 000 000.00	R10 00,000.00	R 100 000.00
INSTALLATION OF NEW STREET LIGHTS	Various	Yes	N/A	30	Our Kingdom Engineering	Good	N/A	8	IUDG	R6, 000, 000.00	R6, 000, 000.00	R5, 215, 189.39
RATIONALISATION OF OFFICE SPACE WELLNESS CENTRE	3	Yes	Jun-23	1	Mbandu Trading	Satisfactorily	N/A	5	IUDG	R 3 130 004	R 3 130 004	R 3 130 004

Appendix G: Audit Committee Recommendations

Municipal Audit Committee Recommendations		
Date of audit committee meeting	Committee recommendations 2024 - 2025	Recommendation adopted (enter Yes) if No provide explanation
FRIDAY, 19 JULY 2024, ORDINARY MEETING	RISK MANAGEMENT PROGRESS REPORT FOR QUARTER 4 (9/1/2/1) ("J")/OMM/IA 304062024) The report was considered. It was advised that the Management must adhere to the established timeframes for implementing risk treatment plans, where there are challenges action plans should be revised to incorporate mitigating measures within reasonable timeframes to ensure timely reporting. Also, management must continue to monitor all high risks areas to regularly assess the effectiveness of controls that are in place for the purpose of reducing residual risks to an acceptable level. IA104/07/2024 RESOLVED 1. THAT the report dated the 4th of July 2024, submitted by the Manager: Internal Audit and Risk Management, regarding the Risk Management progress report for Quarter four (4), be and is hereby received and noted; 2. THAT it be noted that the monitoring process by means of following up on implementation of action plans/mitigation measures was done with management for all action plans that were due in Q4;	Yes

Municipal Audit Committee Recommendations		
Date of audit committee meeting	Committee recommendations 2024 - 2025	Recommendation adopted (enter Yes) if No provide explanation
	3. THAT it be noted that the continuous monitoring on implementation of risk mitigation measures, be conducted on a continuous basis; 4. THAT the Management must adhere to the established timeframes for implementing risk treatment plans, where there are challenges action plans should be revised to incorporate mitigating measures within reasonable timeframes to ensure timely reporting. 5. THAT the management must continue to monitor all high risks areas to regularly assess the effectiveness of controls that are in place for the purpose of reducing residual risks to an acceptable level.	
FRIDAY, 19 JULY 2024, ORDINARY MEETING	ANNUAL RISK ASSESSMENT FOR 2024/2025 FINANCIAL YEAR (9/1/2/1) ("J"/OMM/IA 307062024) The report was considered. IA105/07/2024 RESOLVED 1. THAT the report dated the 24 June 2024, submitted by the Manager: Internal Audit and Risk Management, regarding the 2024/2025 Risk Assessment, be and is hereby received and noted;	

Municipal Audit Committee Recommendations		
Date of audit committee meeting	Committee recommendations 2024 - 2025	Recommendation adopted (enter Yes) if No provide explanation
	2. THAT it be noted that the annual risk assessment for all risk profiles is complete; 3. THAT the strategic, operational, ICT and fraud registers are hereby considered.	
FRIDAY, 19 JULY 2024, ORDINARY MEETING	STATUS ON IMPLEMENTATION OF COMPLIANCE □ QUARTER 4 (9/1/2/5) ("J"/OMM/IA 299042024) The report considered where it was: IA106/07/2024 RESOLVED 1. THAT the report dated 24 June 2024, submitted by the Manager: Internal Audit and Risk Management, regarding the Compliance Register, be and is hereby received and noted; 1. THAT it be noted that the Compliance Register is monitored monthly by the Internal Audit and Risk Management Unit and reports are submitted to the Corporate Management Committee; and 2. THAT it be noted that there were no instances of non-compliance identified for the months of March and May 2024; and 3. THAT it be noted that there were no instances of non-compliance with section 52(d) of the MFMA during the month of April 2024.	Yes

Municipal Audit Committee Recommendations		
Date of audit committee meeting	Committee recommendations 2024 - 2025	Recommendation adopted (enter Yes) if No provide explanation
FRIDAY, 19 JULY 2024, ORDINARY MEETING	PROGRESS ON THE IMPLEMENTATION OF THE AUDIT COMMITTEE ANNUAL WORK PLAN (6/15/1/2/1) ("J"/OMM/IA411072024) The report considered where it was: IA107/07/2024 RESOLVED 1. THAT the report dated 09 July 2024 from Manager: Internal Audit & Risk Management, regarding the progress on the implementation of the Audit Committee's Annual Work Plan 2023 – 2024 be and is hereby received and noted; 2. THAT the committee noted the progress provided in the report.	Yes
FRIDAY, 19 JULY 2024, ORDINARY MEETING	TREASURY SECTION 52(D) & 71(1) & 72 REPORT AS OF 30 JUNE 2024 (10/1/2/5) (CFO1892024) The report was considered wherein it was: IA108/07/2024 RESOLVED 1. THAT the report dated 30th of June 2024, submitted by the Acting Chief Financial Officer, regarding the Treasury Section 52 (D) 71 (1) and 72 report as of 30th of June 2024, be and is hereby received and noted. 2. THAT the Quarterly Budget Statement Section 52 (d) report for Q4, for the period ending 30th of June 2024, be and is hereby received and noted.	Yes

Municipal Audit Committee Recommendations		
Date of audit committee meeting	Committee recommendations 2024 - 2025	Recommendation adopted (enter Yes) if No provide explanation
	3. THAT the Monthly Budget Statement Section 71 (1) report for M10, for the period ending 30th of April 2024, be and is hereby received and noted. 4. THAT the Monthly Budget Statement Section 71 (1) report for M11, for the period ending 31st of May 2024, be and is hereby received and noted; and THAT the Monthly Budget Statement Section 71 (1) report for M12, for the period ending 30th of June 2024, be and is hereby received, and noted.	
FRIDAY, 19 JULY 2024, ORDINARY MEETING	DEVIATIONS FROM THE SUPPLY CHAIN MANAGEMENT POLICY FOR APRIL – JUNE 2024 (8/1/P) (CFO1962024) The report was considered wherein it was: IA109/07/2024 RESOLVED 1. THAT the report dated 05th of July 2024, submitted by the acting Chief Financial Officer, regarding the Deviations from the Supply Chain Management Policy for April, May, June 2024, be and are received and noted; 2. THAT the deviations for the month of April, may, June 2024 amounting to R 6 250 903.32 was noted; 3. THAT it be noted that the Head of Departments ensure that deviations are minimized / eliminated;	Yes

Municipal Audit Committee Recommendations		
Date of audit committee meeting	Committee recommendations 2024 - 2025	Recommendation adopted (enter Yes) if No provide explanation
	4. THAT deviation forms be completed to support reasons as per section 36(a) and (b) of the Municipal Finance Management Act, 2003, (Act no. 56 of 2003) (MFMA 2003); and 5. THAT all deviation forms be supported by the Acting Chief Financial Officer or other delegated authority.	
FRIDAY, 19 JULY 2024, ORDINARY MEETING	FRUITLESS WASTEFUL EXPENDITURE REGISTERS – APRIL – JUNE 2024 (6/1/1) (CFO2092024) The report was considered wherein it was: IA110/07/2024 RESOLVED 1. THAT the report dated 15th of July 2024, submitted by the Chief Financial Officer, regarding the Fruitless and Wasteful Expenditure Registers for April to June 2024, be and is hereby received and noted; 2. THAT it be noted that the Fruitless Wasteful Expenditure registers for April to June 2024 amounted to R 5985,56 as follows: - April : R 4 956.59; May : R 857.44; and June : R171.53. 3. THAT it be noted that where interest was charged because of late allocations, Ray Nkonyeni Municipality continuously engages with the relevant institutions (UGU, ESKOM etc.) to reverse the interests	Yes

Municipal Audit Committee Recommendations		
Date of audit committee meeting	Committee recommendations 2024 - 2025	Recommendation adopted (enter Yes) if No provide explanation
FRIDAY, 19 JULY 2024, ORDINARY MEETING	ASSET MANAGEMENT REPORT FOR JUNE 2024 (7/1/1) (CFO2112024) The report was considered wherein it was: IA111/07/2024 RESOLVED THAT the report dated the 12th of July 2024, submitted by the Chief Financial Officer, regarding the Asset Management report for June 2024, be and is hereby received and noted.	Yes
FRIDAY, 19 JULY 2024, ORDINARY MEETING	IRREGULAR EXPENDITURE FOR THE YEAR JULY 2023 - JUNE 2024 (8/1/P) (CFO2122024) The report was considered wherein it was: IA111/07/2024 RESOLVED 1. THAT the report dated 15 July 2024, submitted by the Acting Chief Financial Officer, regarding Irregular expenditure for July 2023 - June 2024, be and is hereby received; and 2. THAT there was R 685 689 467.72 Irregular expenditure for July 2023 - June 2024.	Yes
FRIDAY, 19 JULY 2024, ORDINARY MEETING	REPORT ON CONTINGENT LIABILITY REGISTER AS AT JUNE 2024 (9/1/2/5) (OMM08072024) The report was considered wherein it was: IA113/07/2024 RESOLVED	Yes

Municipal Audit Committee Recommendations		
Date of audit committee meeting	Committee recommendations 2024 - 2025	Recommendation adopted (enter Yes) if No provide explanation
	1. THAT the report dated the 8th of July 2024, submitted by the Head of Department Corporate Services, regarding the Contingent Liability Register as of June 2024, be and is hereby received and noted; and 2. THAT the committee perused the Contingency Liability Register and provided comments where necessary; 3. THAT it be noted that Contingency Liability Register as of June 2024 will be submitted to the Acting Chief Financial Officer for review and inclusion in the Annual Financial Statements for the 2023/2024 Financial Year. 4. THAT the Contingent Liability be kept on the register until all matters are dealt with/undertaken for that period.	
FRIDAY, 19 JULY 2024, ORDINARY MEETING	2024 - 2025 REVIEWED AUDIT COMMITTEE CHARTER (4/3/2/24) ("J"/OMM/IA 409072024) The report was considered wherein it was: IA115/07/2024 RESOLVED 1. THAT the report dated the 10th of July 2024, submitted by the Manager: Internal Audit and Risk Management, regarding the 2024 - 2025 reviewed Audit Committee Charter, be and is hereby received and noted; 2. THAT it be noted that there were no changes made to the Audit Committee	Yes

Municipal Audit Committee Recommendations		
Date of audit committee meeting	Committee recommendations 2024 - 2025	Recommendation adopted (enter Yes) if No provide explanation
	Charter that was approved in the previous financial year; and 3. THAT the 2024 - 2025 reviewed Audit Committee Charter, be approved by Council.	
FRIDAY, 19 JULY 2024, ORDINARY MEETING	AUDIT COMMITTEE ANNUAL WORK PLAN FOR THE 2024 – 2025 FINANCIAL YEAR (6/15/1/2/1) (“J”/OMM/IA2024) It was suggested that the financial year be corrected in the recommendations to 2024 – 2025 financial year. Also, at the end of the page a preparer which is the Chief Executive Audit, the Municipal Manager for signing, and the Audit Committee for endorsing for approval to Council be included. The report was considered wherein it was: IA116/07/2024 RESOLVED 1. THAT the report dated the 10 of July 2024, submitted by the Manager: Internal Audit and Risk Management, regarding the Audit Committee Annual Work Plan for the 2024 – 2025 Financial Year, be and is hereby received and considered; 2. THAT, as the functions of the committee are formally outlined in Section 166 of the MFMA and in the Audit Committee Charter, the Committee has prepared an annual work plan to discharge the delegated responsibilities. 3. THAT the Audit Committee Annual Work Plan 2024 – 2025 considered by and further recommended for approval by Council.	Yes

Municipal Audit Committee Recommendations		
Date of audit committee meeting	Committee recommendations 2024 - 2025	Recommendation adopted (enter Yes) if No provide explanation
FRIDAY, 19 JULY 2024, ORDINARY MEETING	2024 – 2025 REVIEWED INTERNAL AUDIT CHARTER (4/3/2/24) (“J”/OMM/IA 412072024) The report was considered wherein it was: IA117/07/2024 RESOLVED 1. THAT the report dated the 10th of July 2024, submitted by the Manager: Internal Audit and Risk Management, regarding the reviewed Internal Audit Charter for 2024 – 2025, be and is hereby received and considered; 2. THAT it be noted that there were changes made to the Internal Audit Charter that was approved in the previous financial year; 3. THAT the Internal Audit Charter for 2024 – 2025 is hereby approved.	Yes
FRIDAY, 19 JULY 2024, ORDINARY MEETING	2024 - 2025 REVIEWED METHODOLOGY FOR THE RAY NKONYENI MUNICIPALITY INTERNAL AUDIT UNIT (6/15/1/2/1) (“J”/OMM/IA 413072024). The report was considered wherein it was: IA118/07/2024 RESOLVED 1. THAT the report dated the 10th of July 2024, submitted by the Manager: Internal Audit and Risk Management, regarding the 2024 - 2025 Reviewed Methodology for the Ray Nkonyeni Municipality Internal Audit Unit, be and is hereby received and noted;	Yes

Municipal Audit Committee Recommendations		
Date of audit committee meeting	Committee recommendations 2024 - 2025	Recommendation adopted (enter Yes) if No provide explanation
	2. THAT it be noted that no changes were made to the previously approved methodology; 3. THAT the implementation of the reviewed methodology for the 2024 - 2025 Reviewed Methodology for the Ray Nkonyeni Municipality, be approved by Council.	
FRIDAY, 19 JULY 2024, ORDINARY MEETING	2024 – 2025 RISK-BASED INTERNAL AUDIT PLAN (6/15/1/1/1) (“J”/OMM/IA 407072024) The report was considered wherein it was: IA119/07/2024 RESOLVED 1. THAT the report dated 10 July 2024 submitted by the Manager: Internal Audit & Risk Management regarding the risk-based internal audit plan for 2024 – 2025, be and is hereby received and noted; 2. THAT the risk-based internal audit plan for 2024 – 2025 financial year is hereby approved for implementation. 3. THAT progress regarding the implementation of the annual audit plan is provided to the audit committee on a quarterly basis.	Recommendation adopted (enter Yes) if No provide explanation
FRIDAY, 19 JULY 2024, ORDINARY MEETING	PROGRESS ON THE AGSA CORRECTIVE ACTION PLAN FOR THE 2022 – 2023 FINANCIAL YEAR (6/15/1/1/1) (“J”/OMM/IA 405072024) The report was considered wherein it was:	Yes

Municipal Audit Committee Recommendations		
Date of audit committee meeting	Committee recommendations 2024 - 2025	Recommendation adopted (enter Yes) if No provide explanation
	IA121/07/2024 RESOLVED 1. THAT the report dated 10 July 2024 from Manager: Internal Audit & Risk Management, regarding progress on the AGSA corrective action plan for the 2022 – 2023 financial year, be and is hereby received and noted. 2. THAT the envisaged completion date for the remaining actions will be in August 2024.	
FRIDAY, 19 JULY 2024, ORDINARY MEETING	SUBMISSION OF INTERNAL AUDIT REPORTS (6/15/1/2/1) ("J"/OMM/IA 406072024) The report was considered wherein it was: IA122/07/2024 RESOLVED 1. THAT the report dated 10 July 2024 from Manager: Internal Audit & Risk Management, regarding the submission of internal audit reports, be and is hereby received and noted; 2. THAT the findings raised in the reports be addressed as per the management commitments in the action plan.	Yes
FRIDAY, 19 JULY 2024, ORDINARY MEETING	2023 – 2024 RISK-BASED INTERNAL AUDIT PLAN (6/15/1/1/1) ("J"/OMM/IA 238072022)	Yes

Municipal Audit Committee Recommendations		
Date of audit committee meeting	Committee recommendations 2024 - 2025	Recommendation adopted (enter Yes) if No provide explanation
	The report which appeared on the agenda was considered. Salient points emanated from the report The committee advised that with regards to the review of the draft SDBIP for the next financial year 2023/2024 on the last quarter of the current financial year 2023/2024 to include the following: - • Internal audit performing a review to test alignment between the IDP, the SDBIP and the budget: • Test the draft budget for the next financial year to establish whether it's funded. • Test whether the KPI's were smart and whether the base line information corresponds to the prior year. • Test whether the budget amounts recorded in the draft SDBIP were accurate. A detailed report (detailing fundings) must be submitted to Corp Manco for oversight prior to be submitted to the Audit Committee. RESOLVED TO RECOMMEND 1. THAT the report dated 14 July 2023, submitted by the Manager: Internal Audit and Risk Management, regarding the risk-based Internal Audit Plan for 2023 – 2024, be and is hereby received and considered; 2. THAT the Risk-Based Internal Audit Plan for 2023 – 2024 financial year, is supported by the Audit Committee; and	

Municipal Audit Committee Recommendations		
Date of audit committee meeting	Committee recommendations 2024 - 2025	Recommendation adopted (enter Yes) if No provide explanation
	THAT the progress regarding the implementation of the Annual Audit Plan, be provided to the Audit committee on a quarterly basis	
TUESDAY, 27 AUG 2024 – SPECIAL AUDIT COMMITTEE VIRTUAL MEETING	INTERNAL AUDIT REVIEW NOTES ON THE REVIEW OF ANNUAL FINANCIAL STATEMENTS FOR THE 2023 / 2024 FINANCIAL YEAR (5/8/3/14) (“J”/OMM/IA 602082024) The report was considered wherein it was: IA102/08/2024 RESOLVED 1. THAT the report dated 23 August 2024 submitted by the Acting Manager: Internal Audit & Risk Management, regarding internal audit review notes on review of Annual Financial Statements for the 2023/2024 financial year, be and is hereby received and noted. 2. It should be noted that the draft financial statements for the 2023/2024 financial year were reviewed by Internal Audit, and the review notes were submitted to Treasury for action.	Yes
TUESDAY, 27 AUG 2024 – SPECIAL AUDIT COMMITTEE VIRTUAL MEETING	PROGRESS ON CORRECTIVE ACTION PLANS TO ADDRESS MATTERS RAISED BY THE AUDITOR GENERAL – 2023 FINANCIAL YEAR (10/2/1/1) (“J”/OMM/IA – 603082024) The report was considered wherein it was:	Yes

Municipal Audit Committee Recommendations		
Date of audit committee meeting	Committee recommendations 2024 - 2025	Recommendation adopted (enter Yes) if No provide explanation
	IA103/08/2024 RESOLVED 1. THAT the report dated 23 August 2024 from Manager: Internal Audit and Risk Management, regarding the progress on the corrective action plans developed to address issues raised by the Auditor General for the 2023 financial year, be and is hereby received and noted; 2. THAT it be noted that the municipality has achieved 91% and 9% was still in progress at the date of this report.	
THURSDAY, 17 OCTOBER 2024 ORDINARY AUDIT COMMITTEE VIRTUAL MEETING	RISK MANAGEMENT PROGRESS REPORT – QUARTER 1 (“J”/OMM/IA 316092024) It was proposed that Audit Committee Chairperson report at the next Council meeting that Management take seriously their role on the implementation of risks management function, ensuring that all required actions are submitted in a timely manner. It was also advised that Management must incorporate preventative measures from action plans to minimize impact of risks. The report was considered. IA105/10/2024 RESOLVED 1. THAT the report dated 15 October 2024 from Manager Internal Audit and Risk Management, regarding the risk management	Yes

Municipal Audit Committee Recommendations		
Date of audit committee meeting	Committee recommendations 2024 - 2025	Recommendation adopted (enter Yes) if No provide explanation
	progress report for Q1, is hereby received and noted; 2. THAT it be noted that the monitoring process by following up on implementation of action plans/mitigation measures was done for all action plans that were due in Q1; 3. THAT it be noted that monitoring and reporting on implementation status of risk mitigation measures will be done continually or as and when action plans are due. 4. THAT Audit Committee Chairperson report at the next Council meeting that Management takes seriously their role in the implementation of risks management function, ensuring that all required actions are submitted in a timely manner 5. THAT Management must incorporate preventative measures from action plans to minimize impact of risks.	
THURSDAY, 17 OCTOBER 2024 ORDINARY AUDIT COMMITTEE VIRTUAL MEETING	PROGRESS ON THE IMPLEMENTATION OF THE AUDIT COMMITTEE ANNUAL WORK PLAN – 2024/2025 FINANCIAL YEAR (6/15/1/2/1) (“J”/OMM/IA 700102024) The report was considered. IA106/10/2024 RESOLVED 1. THAT the report dated 11 October 2024 from Manager: Internal	

Municipal Audit Committee Recommendations		
Date of audit committee meeting	Committee recommendations 2024 - 2025	Recommendation adopted (enter Yes) if No provide explanation
	Audit & Risk Management, regarding the progress on the implementation of the Audit Committee's Annual Work Plan 2024 - 2025 be and is hereby received and noted; 2. THAT the committee noted the progress provided in the report.	
THURSDAY, 17 OCTOBER 2024 ORDINARY AUDIT COMMITTEE VIRTUAL MEETING	INVESTIGATION OF IRREGULAR EXPENDITURE DISCLOSED IN THE AUDITED ANNUAL FINANCIAL STATEMENTS 2022 – 2023 AND THE CONSOLIDATED IRREGULAR, FRUITLESS AND WASTEFUL EXPENDITURE IDENTIFIED IN THE 2023 – 2024 FINANCIAL YEAR (10/2/1/1) ("J"/OMM/IA – 404082024) The report was considered. IA107/10/2024 RESOLVED 1. THAT the report dated 11 October 2024 from the Manager: Internal Audit and Risk Management regarding the investigation of irregular fruitless and wasteful expenditure disclosed in the audited annual financial statements 2022 – 2023 and the consolidated irregular, fruitless and wasteful expenditure identified in the 2023 – 2024 financial year, be and is hereby received and noted; 2. THAT the amount relating to the irregular expenditure reported for non-compliance with Municipal Supply Chain Management Regulations as raised by the Auditor General of R173 260 102.00 was recommended to council for write-off;	Yes

Municipal Audit Committee Recommendations		
Date of audit committee meeting	Committee recommendations 2024 - 2025	Recommendation adopted (enter Yes) if No provide explanation
	3. THAT the amount relating to 2022 – 2023 financial year irregular expenditure reported on service providers appointed through a panel without a documented system to ensure allocation of work on a rotation basis for multi – year panel contracts totaling R214 034 444.00 was recommended to council for write-off; 4. THAT the amount relating to 2023 – 2024 financial year irregular expenditure reported on service providers appointed through a panel without a documented system to ensure allocation of work on a rotation basis for multi – year panel contracts totaling R132 174 717.49 was recommended to council for write-off; 5. THAT the amount relating to fruitless and wasteful expenditure incurred totaling R7 281.44 was recommended to council for write-off; 6. It should be noted that the amounts resolved for write-off by council were disclosed accordingly in the Annual Financial Statements notes.	
THURSDAY, 17 OCTOBER 2024 ORDINARY AUDIT COMMITTEE VIRTUAL MEETING	STATUS ON IMPLEMENTATION OF COMPLIANCE REGISTERS – JUN, JUL & AUG 2024 (“J”/OMM/IA 319102024) The report was considered. IA108/10/2024 RESOLVED 1. THAT the report dated 09 October 2024 from Manager Internal Audit and Risk Management, regarding the compliance	Yes

Municipal Audit Committee Recommendations		
Date of audit committee meeting	Committee recommendations 2024 - 2025	Recommendation adopted (enter Yes) if No provide explanation
	registers, be and is hereby received and noted; 2. It should be noted that the compliance register is monitored by Internal Audit and Risk Management on monthly basis, and reported to the Corporate Management Committee; 3. THAT it be noted that there were no instances of non-compliance identified for the months of June, July and August 2024.	
THURSDAY, 17 OCTOBER 2024 ORDINARY AUDIT COMMITTEE VIRTUAL MEETING	TREASURY SECTION 52(D) & 71(1) & 72 REPORT AS OF 30 SEPTEMBER 2024 (10/1/2/5) (CFO2982024) The report was considered wherein it was: IA109/10/2024 RESOLVED 1. THAT the report dated 30th of September 2024, submitted by the Acting Chief Financial Officer, regarding the Treasury Section 52 (D) 71 (1) and 72 report as of 30th of September 2024, be and is hereby received and noted; 2. THAT the Quarterly Budget Statement Section 52 (d) report for Q1, for the period ending 30th of September 2024, be and is hereby received and noted; 3. THAT the Monthly Budget Statement Section 71 (1) report for M1, for the period ending 31st of July 2024, be and is hereby received and noted;	Yes

Municipal Audit Committee Recommendations		
Date of audit committee meeting	Committee recommendations 2024 - 2025	Recommendation adopted (enter Yes) if No provide explanation
	4. THAT the Monthly Budget Statement Section 71 (1) report for M2, for the period ending 31st of August 2024, be and is hereby received and noted; 5. THAT the Monthly Budget Statement Section 71 (1) report for M3, for the period ending 30th of September 2024, be and is hereby received, and noted.	
THURSDAY, 17 OCTOBER 2024 ORDINARY AUDIT COMMITTEE VIRTUAL MEETING	DEVIATIONS FROM THE SUPPLY CHAIN MANAGEMENT POLICY FOR JULY – SEPTEMBER 2024 (8/1/P) (CFO3062023) It was advised that Internal Audit update workflow on the system if there had been changes to internal controls emanating from Treasury Training Session. The report was considered wherein it was: IA110/10/2024 RESOLVED 1. THAT the report dated 7 of October 2024, submitted by the Acting Chief Financial Officer, regarding the Deviations from the Supply Chain Management Policy for July to September 2024, be and are received and noted; 2. THAT the deviations for the month of July to September 2024 amounting to R 5 887 198.75 was noted; 3. THAT it be noted that the Head of Departments ensure that deviations are minimized / eliminated;	Yes

Municipal Audit Committee Recommendations		
Date of audit committee meeting	Committee recommendations 2024 - 2025	Recommendation adopted (enter Yes) if No provide explanation
	4. THAT deviation forms be completed to support reasons as per section 36(a) and (b) of the Municipal Finance Management Act, 2003, (Act no. 56 of 2003) (MFMA 2003); 5. THAT all deviation forms be supported by the Chief Financial Officer or other delegated authority. 6. THAT Internal Audit update workflow on the system if there have been changes to internal controls emanating from Treasury Training Session.	
THURSDAY, 17 OCTOBER 2024 ORDINARY AUDIT COMMITTEE VIRTUAL MEETING	FRUITLESS WASTEFUL EXPENDITURE REGISTERS – JULY – SEPTEMBER 2024 (6/1/1) (CFO3082024) The report was considered wherein it was: IA111/10/2024 RESOLVED 1. THAT the report dated 07 of September 2024, submitted by the Acting Chief Financial Officer, regarding the Fruitless and Wasteful Expenditure Registers for July to September 2024, be and is hereby received and noted; 2. THAT it be noted that the Fruitless Wasteful Expenditure registers for July to September 2024 amounted to R 301.09 as follows: - July : R 135.02; August : R 166;07 and September : -	Yes

Municipal Audit Committee Recommendations		
Date of audit committee meeting	Committee recommendations 2024 - 2025	Recommendation adopted (enter Yes) if No provide explanation
	3. THAT it be noted that where interest was charged because of late allocations, Ray Nkonyeni Municipality continuously engages with the relevant institutions (UGU, ESKOM etc.) to reverse the interest;	
THURSDAY, 17 OCTOBER 2024 ORDINARY AUDIT COMMITTEE VIRTUAL MEETING	IRREGULAR EXPENDITURE FOR JULY – SEPTEMBER 2024 (8/1/P) (CFO3042024) The report was considered wherein it was: IA112/10/2024 RESOLVED 1. THAT the report dated the 07 of October 2024, submitted by the Acting Chief Financial Officer, regarding the Irregular Expenditure for July to September 2024, be and is hereby received and noted; and 2. THAT it be noted that there was no irregular expenditure incurred from July to September 2024.	Yes
THURSDAY, 17 OCTOBER 2024 ORDINARY AUDIT COMMITTEE VIRTUAL MEETING	ASSET MANAGEMENT REPORT FOR SEPTEMBER 2024 (7/1/1) (CFO3122024) The report was considered wherein it was: IA111/10/2023 RESOLVED 1. THAT the report dated the 07 of October 2024, submitted by the Acting Chief Financial Officer, regarding the Asset Management report for September 2024, be and is hereby received and noted; and	Yes

Municipal Audit Committee Recommendations		
Date of audit committee meeting	Committee recommendations 2024 - 2025	Recommendation adopted (enter Yes) if No provide explanation
	2. THAT the committee noted the report.	
THURSDAY, 17 OCTOBER 2024 ORDINARY AUDIT COMMITTEE VIRTUAL MEETING	CONTRACT REGISTER AS AT SEPTEMBER 2024 (8/1/5) (CFO3102024) The report was considered wherein it was: IA112/10/2024 RESOLVED 1. THAT the report dated 9 October 2024, submitted by the Chief Financial Officer, regarding the Contract Register for September 2024, be and is hereby received and noted; 2. THAT Departments start with the procurement process for the contracts that are expiring within eight (08) months. 3. THAT Departments submits draft SLA's, within two (02) weeks after letter of appointment has been signed by MM, to SCM Manager for processing.	Yes
THURSDAY, 17 OCTOBER 2024 ORDINARY AUDIT COMMITTEE VIRTUAL MEETING	REPORT ON CONTINGENT LIABILITY REGISTER AS AT SEPTEMBER 2024 (9/1/2/5) (OMM08102024) The report was considered wherein it was: IA113/10/2024 RESOLVED THAT the report dated the 08th of October 2024, submitted by the Municipal Manager, regarding the Contingent Liability Register	Yes

Municipal Audit Committee Recommendations		
Date of audit committee meeting	Committee recommendations 2024 - 2025	Recommendation adopted (enter Yes) if No provide explanation
	as of September 2024, be and is hereby received and noted.	
THURSDAY, 17 OCTOBER 2024 ORDINARY AUDIT COMMITTEE VIRTUAL MEETING	PROGRESS REPORT ANNUAL AUDIT PLAN 2024 - 2025 AS AT SEPTEMBER 2024 (10/2/1/1) ("J"/OMM/IA – 701102024) The report was considered wherein it was: IA114/10/2024 RESOLVED 1. THAT the report dated 10 October 2024 from the Manager: Internal Audit and Risk Management regarding progress report on annual audit plan 2024 – 2025, be and is hereby received and noted. 2. THAT it be noted that the following projects have been completed: -Development of annual audit plan 2024 - 2025 -Review of Internal Audit charter 2024 - 2025 -Review of Audit Committee charter 2024 - 2025 -Review of Annual Performance Report 2023 - 2024 together with PMS Q4 -Review of Financial Statements 2023 – 2024 -Alignment and Linkage of IDP; SDBIP & Approved Budget 3. THAT it be noted that the following projects are in progress: -Performance Management System Review Q1: Portfolio of Evidence ---Cleansing & Waste Management Audit 4. THAT it be noted that the following projects are not yet due:	Yes

Municipal Audit Committee Recommendations		
Date of audit committee meeting	Committee recommendations 2024 - 2025	Recommendation adopted (enter Yes) if No provide explanation
	– Supply Chain Management Audit – Performance Management System Review Q.2 – 2024/2025 – Performance Management System Review Q.3 – 2024/2025 – Compliance with DORA – Project Management and Assessment of External Service Providers – Investigation of Irregular, fruitless and Wasteful expenditure – Annual Inventory Management Review – Review of Implementation of Management corrective action plan 2023-2024.	
THURSDAY, 17 OCTOBER 2024 ORDINARY AUDIT COMMITTEE VIRTUAL MEETING	ANNUAL ASSESSMENT OF AUDIT COMMITTEE AND INTERNAL AUDIT UNIT (6/15/1/1/1) ("J"/OMM/IA 703102024) The report was considered wherein it was: IA115/10/2024 RESOLVED 1. THAT the report dated 11 October 2024 submitted by the Manager: Internal Audit & Risk Management regarding the annual assessment on the functionality of both the Audit Committee and the Internal Audit Unit for the year ended 30 June 2024, be and is hereby received and noted; 2. THAT it be noted that the Audit Committee is meeting its objectives efficiently and effectively. 3. THAT it be noted that audit committee was satisfied that the internal audit function is operating effectively and that the internal audit function maintained its	Yes

Municipal Audit Committee Recommendations		
Date of audit committee meeting	Committee recommendations 2024 - 2025	Recommendation adopted (enter Yes) if No provide explanation
	independence and objective throughout the period under review.	
FRIDAY, 24 JANUARY 2025, ORDINARY AUDIT COMMITTEE VIRTUAL MEETING	RISK MANAGEMENT PROGRESS REPORT FOR QUARTER 2 (9/1/2/5) ("J"/OMM/IA325152025) It was advised that CORP MANCO meetings have not been held due to some line managers participating in the strike. Meetings that have been sitting were between HODs and the Municipal Manager, which were to look at some operations, legal side on managing the strike and therefore risk information could not be updated. The Audit Committee noted with deep concerns that it was not contemporary updated with issues of risk management and it was not aware that the strike was still ongoing. The report was considered. IA105/01/2025 RESOLVED 1. THAT the report dated 15 January 2025 from Manager: Internal Audit and Risk Management, regarding the risk management progress report for Quarter 2 be and is hereby received and noted; 2. THAT it be noted that the monitoring process by following up on implementation of action plans/mitigation measures was done for all action plans that were due in Quarter 2; 3. THAT it be noted that soliciting responses on corrective action plans and revising risks on the approved risk registers for the current financial year has been a challenge due to unavailability of risk	Yes

Municipal Audit Committee Recommendations		
Date of audit committee meeting	Committee recommendations 2024 - 2025	Recommendation adopted (enter Yes) if No provide explanation
	owners and late/no submissions received from some departments; 4. THAT it be noted that monitoring and reporting on implementation status of risk mitigation measures will be done continually or as and when action plans are due. 5. THAT Audit Committee noted with deep concern that it was not contemporary updated with issues of risk management and it was not aware that the strike was still ongoing.	
FRIDAY, 24 JANUARY 2025, ORDINARY AUDIT COMMITTEE VIRTUAL MEETING	STATUS ON IMPLEMENTATION OF COMPLIANCE REGISTER – QUARTER 2 (9/1/2/5) (“J”/OMM/IA325152025) The report was considered wherein it was: IA107/01/2025 RESOLVED 1. THAT the report dated 15 January 2025 from Manager: Internal Audit and Risk Management, regarding the compliance registers, be and is hereby received and noted; 2. THAT it be noted that the compliance register is monitored by the Internal Audit and Risk Management Unit on monthly basis, and reported to the Corporate Management Committee; 3. THAT it be noted that there were no instances of non-compliance identified for the months of September, October and November 2024 per the attached compliance reports.	Yes

Municipal Audit Committee Recommendations		
Date of audit committee meeting	Committee recommendations 2024 - 2025	Recommendation adopted (enter Yes) if No provide explanation
FRIDAY, 24 JANUARY 2025, ORDINARY AUDIT COMMITTEE VIRTUAL MEETING	PROGRESS ON THE IMPLEMENTATION OF THE AUDIT COMMITTEE ANNUAL WORK PLAN – 2024/2025 FINANCIAL YEAR (6/15/1/2/1) (“J”/OMM/IA700102024) The report was considered wherein it was: IA108/01/2025 RESOLVED 1. THAT the report dated 15 January 2015 from Manager: Internal Audit & Risk Management, regarding the progress on the implementation of the Audit Committee’s Annual Work Plan 2024 - 2025 be and is hereby received and noted; 2. THAT the committee noted the progress provided in the Audit Committee Annual Work Plan.	
FRIDAY, 24 JANUARY 2025, ORDINARY AUDIT COMMITTEE VIRTUAL MEETING	TREASURY SECTION 52(D) & 71(1) & 72 REPORT AS OF 31 DECEMBER 2024 (10/1/2/5) (CFO4082024) The Municipal Manager and Acting CFO addressed the lengthy discussion of this report and the clarification issues about strike management. In order to prevent the Auditor General from bringing up material regularities during the audit, the Audit Committee recommended that the Municipal Manager investigate Section 34 of the Basic Employment Conditions Act with Human Resources Department. The report was considered wherein it was: IA109/01/2025 RESOLVED	

Municipal Audit Committee Recommendations		
Date of audit committee meeting	Committee recommendations 2024 - 2025	Recommendation adopted (enter Yes) if No provide explanation
	1. THAT the Treasury report for the period ending 31 December 2024 submitted by the Acting Chief Financial Officer, be hereby received, and noted, and; 2. THAT the Quarterly Budget Statement Section 52 (d) report for Q2, the period ending 31 December 2024 submitted by the Acting Chief Financial Officer, be hereby received, and noted, 3. THAT the Monthly Budget Statement Section 71 (1) report for M01, the period ending 31 October 2024 submitted by the Acting Chief Financial Officer, be hereby received, and noted. 4. THAT the Monthly Budget Statement Section 71 (1) report for M02, the period ending 30 November 2024 submitted by the Chief Financial Officer, be hereby received, and noted. 5. THAT the Monthly Budget Statement Section 71 (1) report for M03, the period ending 31 December 2024 submitted by the Acting Chief Financial Officer, be hereby received, and noted. 6. THAT in order to prevent the Auditor General from bringing up material regularities during the audit, the Audit Committee recommended that the Municipal Manager investigate Section 34 of the Basic Employment Conditions Act with Human Resources Department.	
FRIDAY, 24 JANUARY 2025, ORDINARY AUDIT COMMITTEE	DEVIATIONS FROM THE SUPPLY CHAIN MANAGEMENT POLICY FOR OCTOBER – DECEMBER 2024 (8/1/P) (CFO4152025)	

Municipal Audit Committee Recommendations		
Date of audit committee meeting	Committee recommendations 2024 - 2025	Recommendation adopted (enter Yes) if No provide explanation
VIRTUAL MEETING	The report was considered wherein it was: IA110/01/2025 RESOLVED 1. THAT the report dated 14 January 2025, submitted by the Acting Chief Financial Officer, regarding the Deviations from the Supply Chain Management Policy for October to December 2023, be and are received and noted; 2. THAT the deviations for the month of October to December 2024 amounting to R 4 877338.57 was noted; 3. THAT it be noted that the Head of Departments ensure that deviations are minimized / eliminated; 4. THAT deviation forms be completed to support reasons as per section 36(a) and (b) of the Municipal Finance Management Act, 2003, (Act no. 56 of 2003) (MFMA 2003); 5. THAT all deviation forms be supported by the Acting Chief Financial Officer or other delegated authority.	
FRIDAY, 24 JANUARY 2025, ORDINARY AUDIT COMMITTEE VIRTUAL MEETING	IRREGULAR EXPENDITURE FOR OCTOBER – DECEMBER 2024 (8/1/P) (CFO4122025) The report was considered wherein it was: IA111/01/2025 RESOLVED	

Municipal Audit Committee Recommendations		
Date of audit committee meeting	Committee recommendations 2024 - 2025	Recommendation adopted (enter Yes) if No provide explanation
	1. THAT the report dated the 14 January 2025, submitted by the Acting Chief Financial Officer, regarding the Irregular Expenditure for October to December 2024, be and is hereby received and noted; and 2. THAT it be noted that there was no irregular expenditure incurred for October to December 2024.	
FRIDAY, 24 JANUARY 2025, ORDINARY AUDIT COMMITTEE VIRTUAL MEETING	ASSET MANAGEMENT REPORT FOR DECEMBER 2024 (7/1/1) (CFO4212025) The report was considered wherein it was: IA112/01/2025 RESOLVED 1. THAT the report dated the 13 January 2025, submitted by the Acting Chief Financial Officer, regarding the Asset Management report for December 2025, be and is hereby received and noted; and 2. THAT the Committee noted the report.	
FRIDAY, 24 JANUARY 2025, ORDINARY AUDIT COMMITTEE VIRTUAL MEETING	CONTRACT REGISTER AS AT OCTOBER 2024 (8/1/5) (CFO2024) The report was considered wherein it was: IA113/01/2025 RESOLVED 1. THAT the report dated 05 November 2024, submitted by the Chief Financial Officer, regarding the Contract Register for October 2024, be and is hereby received and noted;	Yes

Municipal Audit Committee Recommendations		
Date of audit committee meeting	Committee recommendations 2024 - 2025	Recommendation adopted (enter Yes) if No provide explanation
	2. THAT Departments start with the procurement process for the contracts that are expiring within eight (08) months. 3. THAT Departments submits draft SLA's, within two (02) weeks after letter of appointment has been signed by MM, to SCM Manager for processing.	
FRIDAY, 24 JANUARY 2025, ORDINARY AUDIT COMMITTEE VIRTUAL MEETING	CONTRACT REGISTER AS AT NOVEMBER 2024 (8/1/5) (CFO2024) The report was considered wherein it was: IA114/01/2025 RESOLVED 1. THAT the report dated 10 December 2024, submitted by the Chief Financial Officer, regarding the Contract Register for November 2024, be and is hereby received and noted; 2. THAT Departments start with the procurement process for the contracts that are expiring within eight (08) months. 3. THAT Departments submits draft SLA's, within two (02) weeks after letter of appointment has been signed by MM, to SCM Manager for processing.	Yes
FRIDAY, 24 JANUARY 2025, ORDINARY AUDIT COMMITTEE VIRTUAL MEETING	CONTRACT REGISTER AS AT DECEMBER 2024 (8/1/5) (CFO2024) The report was considered wherein it was: IA115/01/2025 RESOLVED	Yes

Municipal Audit Committee Recommendations														
Date of audit committee meeting	Committee recommendations 2024 - 2025	Recommendation adopted (enter Yes) if No provide explanation												
	1. THAT the report dated 15 January 2024, submitted by the Chief Financial Officer, regarding the Contract Register for December 2024, be and is hereby received and noted; 2. THAT Departments start with the procurement process for the contracts that are expiring within eight (08) months. 3. THAT Departments submits draft SLA's, within two (02) weeks after letter of appointment has been signed by MM, to SCM Manager for processing.													
FRIDAY, 24 JANUARY 2025, ORDINARY AUDIT COMMITTEE VIRTUAL MEETING	OVERTIME FOR THE MONTH OF OCTOBER 2024 (5/5/1/2021) (CFO3682024) The report was considered wherein it was: IA116/01/2025 RESOLVED 1. THAT the report dated 05 November 2024, submitted by the Acting Chief Financial Officer, regarding Overtime Report for the Month of October 2024, be and is hereby received and noted; and 2. THAT the overtime report for October 2024, be and hereby received and noted: <table> <tr> <td>REPORT</td> <td>OCTOBER</td> <td>SEPTEMBER</td> </tr> <tr> <td>Overtime</td> <td>R 1 663 125.20</td> <td>R 1 297 179.36</td> </tr> <tr> <td>standby allowance</td> <td>R 471 688.57</td> <td>R 487 874.21</td> </tr> <tr> <td>nightshift allowance</td> <td>R 865.01</td> <td>R 66 67 768.76</td> </tr> </table>	REPORT	OCTOBER	SEPTEMBER	Overtime	R 1 663 125.20	R 1 297 179.36	standby allowance	R 471 688.57	R 487 874.21	nightshift allowance	R 865.01	R 66 67 768.76	Yes
REPORT	OCTOBER	SEPTEMBER												
Overtime	R 1 663 125.20	R 1 297 179.36												
standby allowance	R 471 688.57	R 487 874.21												
nightshift allowance	R 865.01	R 66 67 768.76												

Municipal Audit Committee Recommendations		
Date of audit committee meeting	Committee recommendations 2024 - 2025	Recommendation adopted (enter Yes) if No provide explanation
	3. THAT the breakdown of overtime per department is hereby received and noted. DEPARTMENT OVERTIME COMMUNITY SERVICES R 601 207.25 PUBLIC SAFETY R 719 366.77 TECHNICAL SERVICES R 292 145.05 CORPORATE SERVICES R - TREASURY R 20 544.86 STRATEGIC PLANNING R - PLANNING AND DEVELOPMENT R 29 861.27 TOTAL R 1 663 125.20	
FRIDAY, 24 JANUARY 2025, ORDINARY AUDIT COMMITTEE VIRTUAL MEETING	OVERTIME FOR THE MONTH OF NOVEMBER 2024 (5/5/1/2021) (CFO4462024) The report was considered wherein it was: IA117/01/2025 RESOLVED 1. THAT the report dated 13 December 2024, submitted by the Acting Chief Financial Officer, regarding Overtime Report for the Month of November 2024, be and is hereby received and noted; and 2. THAT the overtime report for November 2024, be and hereby received and noted:	Yes

Municipal Audit Committee Recommendations		
Date of audit committee meeting	Committee recommendations 2024 - 2025	Recommendation adopted (enter Yes) if No provide explanation
	REPORT NOVEMBER OCTOBER Overtime R 962 919.51 R 1 663 125.20 standby allowance R 463 430.26 R 471 688.57 nightshift allowance R 68 232.65 R 66 865.01 3. THAT the breakdown of overtime per department is hereby received and noted. DEPARTMENT OVERTIME COMMUNITY SERVICES R 391 840.02 PUBLIC SAFETY R 330 990.75 TECHNICAL SERVICES R 208 830.36 CORPORATE SERVICES R - TREASURY R 8611.14 STRATEGIC PLANNING R - PLANNING AND DEVELOPMENT R 22 647.24 TOTAL R 962 919.51	
FRIDAY, 24 JANUARY 2025, ORDINARY AUDIT COMMITTEE VIRTUAL MEETING	OVERTIME FOR THE MONTH OF DECEMBER 2024 (5/5/1/2021) (CFO2024) The report was considered wherein it was: IA117/01/2025 RESOLVED 1. THAT the report dated 16 January 2025, submitted by the Acting Chief Financial Officer, regarding Overtime Report for the Month of December 2024, be and is hereby received and noted; and;	Yes

Municipal Audit Committee Recommendations		
Date of audit committee meeting	Committee recommendations 2024 - 2025	Recommendation adopted (enter Yes) if No provide explanation
	2. THAT the overtime report for December 2024, be and hereby received and noted: REPORT DECEMBER NOVEMBER Overtime R 832 079.70 R 962 919.51 standby allowance R 437 406.55 R 463 430.26 nightshift allowance R 31 076.88 R 68 232.65 3. THAT the breakdown of overtime per department, be and is hereby received and noted. DEPARTMENT OVERTIME COMMUNITY SERVICES R 295 332.66 PUBLIC SAFETY R 321 644.03 TECHNICAL SERVICES R 194 362.49 CORPORATE SERVICES R - TREASURY R 20 740.52 STRATEGIC PLANNING R - PLANNING AND DEVELOPMENT R - TOTAL R 832 079.70	
FRIDAY, 24 JANUARY 2025, ORDINARY AUDIT COMMITTEE VIRTUAL MEETING	FRUITLESS, WASTEFUL EXPENDITURE REGISTER – OCT, NOV & DECEMBER 2024 (6/1/1-2024) (CFO4432024) The report was considered wherein it was:	Yes

Municipal Audit Committee Recommendations		
Date of audit committee meeting	Committee recommendations 2024 - 2025	Recommendation adopted (enter Yes) if No provide explanation
	IA118/01/2025 RESOLVED 1. THAT the report dated 16 January 2025, submitted by the Acting Chief Financial Officer, regarding the Fruitless and Wasteful Expenditure Registers for October to December 2024, be and is hereby received and noted; 2. THAT it be noted that the Fruitless Wasteful Expenditure registers for October to December 2024 amounted to R 1819,56 as follows: - October : R 395.59; September : R 1335.18; and December : R 88.79 3. THAT it be noted that where interest was charged because of late allocations, Ray Nkonyeni Municipality continuously engages with the relevant institutions (UGU, ESKOM etc.) to reverse the interest.	
FRIDAY, 24 JANUARY 2025, ORDINARY AUDIT COMMITTEE VIRTUAL MEETING	LITIGATION MATTERS FOR QUARTER TWO (2) – Manager Legal and Compliance 10.4.1 REPORT ON CONTINGENT LIABILITY REGISTER AS AT DECEMBER 2024 (OMM15012024) The report was considered wherein it was: IA114/01/2024 RESOLVED	Yes

Municipal Audit Committee Recommendations		
Date of audit committee meeting	Committee recommendations 2024 - 2025	Recommendation adopted (enter Yes) if No provide explanation
	THAT the report dated the 15th of January 2025, submitted by the Municipal Manager, regarding the Contingent Liability Register as of December 2024, be and is hereby received and noted.	
FRIDAY, 24 JANUARY 2025, ORDINARY AUDIT COMMITTEE VIRTUAL MEETING	TABLING OF THE 2023 – 2024 DRAFT ANNUAL REPORT TO THE AUDIT COMMITTEE 4/8/2 (OMM15012024) It was suggested that the Auditor General be reached out to inform them of the updated Annual Report so that they can confirm what is contained in the Annual Report is what they have audited. It was also indicated that on page 7 under Mayor's foreword, Audit Report for 2024 be added and also on the attachments AG action plan for 2023/2024 be added. Census information also needs to be updated from the Annual Report and once amendments have been made Audit Committee be provided with the document for review. The report was considered wherein it was: IA115/01/2024 RESOLVED 1. THAT the report submitted by the Municipal Manager, dated 13 January 2025 in respect of the Draft	Yes

Municipal Audit Committee Recommendations		
Date of audit committee meeting	Committee recommendations 2024 - 2025	Recommendation adopted (enter Yes) if No provide explanation
	Annual Report 2023/2024 be and is hereby received and noted. 2. THAT the Audit Committee noted the Auditor General has considered the Draft Annual Report 2023/2024. 3. THAT the Audit Committee noted that the Draft Annual Report has been considered by the Council (21st January 2025). 4. THAT the Audit Committee noted that Municipal Public Accounts Committee will consider the Draft Annual Report 2023/2024 (30th January 2025). 4. THAT the Audit Committee considered the Draft Annual Report 2023/2024 and made input on the report.	
FRIDAY, 24 JANUARY 2025, ORDINARY AUDIT COMMITTEE VIRTUAL MEETING	PROGRESS REPORT ANNUAL AUDIT PLAN 2024 - 2025 AS AT OCTOBER 2024 (10/2/1/1) ("J"/OMM/IA –701012025) The report was considered wherein it was: IA116/01/2024 RESOLVED 1. THAT the report dated 15 January 2025 from the Manager: Internal Audit and Risk Management regarding progress report	Yes

Municipal Audit Committee Recommendations		
Date of audit committee meeting	Committee recommendations 2024 - 2025	Recommendation adopted (enter Yes) if No provide explanation
	on annual audit plan 2024 – 2025, be and is hereby received and noted. THAT it be noted that execution for the following projects has been completed: -Development of annual audit plan 2024 - 2025 -Review of Internal Audit charter 2024 - 2025 -Review of Audit Committee charter 2024 - 2025 -Review of Annual Performance Report 2023 - 2024 together with PMS Q4 -Review of Financial Statements 2023 – 2024 -Alignment and Linkage of IDP; SDBIP & Approved Budget -Performance Management System Review Q1: Portfolio of Evidence -Cleansing & Waste Management Audit 2. THAT it be noted that the following projects are in progress: -Compliance with DORA -Supply Chain Management Audit -Performance Management System Review Q.2 – 2024/2025 -Investigation of Irregular, fruitless and Wasteful expenditure 3. THAT it be noted that the following projects are not yet due: -Performance Management System Review Q.3 – 2024/2025 -Annual Inventory Management Review -Review of Implementation of Management corrective action plan 2023 – 2024 4. THAT it be noted that the Internal Audit & Risk Management productivity was	

Municipal Audit Committee Recommendations		
Date of audit committee meeting	Committee recommendations 2024 - 2025	Recommendation adopted (enter Yes) if No provide explanation
	affected by operational challenges experienced by the municipality in the second quarter. 5. THAT it be noted that upon assessment it was noted that the annual audit plan needs to be adjusted accordingly in response to the changes affecting the organisation. 6. THAT the following project be moved to quarter 4: Supply Chain Management Audit. 7. THAT the following project be moved to the next financial year: Project Management and Assessment of External Service Providers	
FRIDAY, 24 JANUARY 2025, ORDINARY AUDIT COMMITTEE VIRTUAL MEETING	PROGRESS TO DATE PERTAINING TO THE ONGOING STRIKE DUE TO ARBITRATION AWARD ON SAMWU AND THE MUNICIPALITY REGARDING THE CATEGORISATION OF EMPLOYEES. Although there was no report attached, it should be mentioned that the Municipal Manager had previously given the Audit Committee Chairperson a written report regarding the ongoing strike. This was an extension of the accounting officer's ongoing update to the audit committee regarding the strike. The Audit Committee received a brief verbal update from the Municipal Manager. The Municipal Manager's report was well received by the Audit Committee, who also commended him for his excellent performance so far in	Yes

Municipal Audit Committee Recommendations		
Date of audit committee meeting	Committee recommendations 2024 - 2025	Recommendation adopted (enter Yes) if No provide explanation
	handling the strike. The Audit Committee was always available to help the Municipal Manager with the ongoing strike of employees.	
THURSDAY, 15 MAY 2025, ORDINARY MEETING	RISK MANAGEMENT PROGRESS REPORT FOR QUARTER 3 (9/1/2/1) ("J"/OMM/IA 331042025) The report was considered. It was advised that the Annual Audit Plan 2025/2026 be submitted to the Audit Committee for approval before the new Financial Year. IA104/05/2025 RESOLVED 1. THAT the report dated the 14 April 2025, submitted by the Manager: Internal Audit and Risk Management, regarding the Risk Management progress report for Quarter three (3), be and is hereby received and noted; 2. THAT it be noted that the monitoring process by means of following up on implementation of action plans/mitigation measures was done with management for all action plans that were due in Quarter three (3); 3. THAT it be noted that monitoring and reporting on implementation status of risk mitigation measures will be done continually or as and when action plans are due. 4. THAT the Annual Audit Plan 2025/2026 be submitted to the Audit	Yes

Municipal Audit Committee Recommendations		
Date of audit committee meeting	Committee recommendations 2024 - 2025	Recommendation adopted (enter Yes) if No provide explanation
	Committee for approval before the new Financial Year.	
THURSDAY, 15 MAY 2025, ORDINARY MEETING	STATUS ON IMPLEMENTATION OF COMPLIANCE REGISTER – QUARTER 3 (9/1/2/5) (“J”/OMM/IA 332042025) The report was considered wherein it was: IA105/05/2025 RESOLVED 1. THAT the report dated 07 May 2025 from Manager: Internal Audit and Risk Management, regarding the compliance registers, be and is hereby received and noted; 2. THAT it be noted that the compliance register is monitored by Internal Audit and Risk Management on monthly basis, and reported to the Corporate Management Committee; 3. THAT it be noted that there were no instances of non-compliance identified for the months of December 2024, January - March 2025.	Yes
THURSDAY, 15 MAY 2025, ORDINARY MEETING	TREASURY SECTION 52(D) & 71(1) FOR THE PERIOD ENDED 31 MARCH 2025 (10/1/2/5) (CFO0872025) The report was considered wherein it was: A special Audit Committee meeting in June 2025 was requested by the Audit committee to address all the outstanding reports and the following was information was requested; detailed explanation on the reason	Yes

Municipal Audit Committee Recommendations		
Date of audit committee meeting	Committee recommendations 2024 - 2025	Recommendation adopted (enter Yes) if No provide explanation
	for the increase in Salaries, Housing allowances as well as payments in lieu of leave and also details on payment in lieu of leave; the strategy that is in place for Traffic Fine Collections. Whether this strategy has been implemented and has it yielded any results so far; details on the variance of R476 000 that relates to council remuneration. Given the high risk of the fire, the Audit Committee advised that the Council and Management purchase a fire engine for the upcoming financial year. IA107/05/2025 RESOLVED 1. THAT the Treasury report for the period ending 31 March 2025 submitted by the Chief Financial Officer, be hereby received, and noted, and 2. THAT the Quarterly Budget Statement Section 52 (d) report for Q3, the period ending 31 March 2025 submitted by the Chief Financial Officer, be hereby received, and noted, 3. THAT the Monthly Budget Statement Section 71 (1) report for M07, the period ending 31 January 2025 submitted by the Chief Financial Officer, be hereby received, and noted. 4. THAT the Monthly Budget Statement Section 71 (1) report for M08, the period ending 28 February	

Municipal Audit Committee Recommendations		
Date of audit committee meeting	Committee recommendations 2024 - 2025	Recommendation adopted (enter Yes) if No provide explanation
	2025 submitted by the Chief Financial Officer, be hereby received, and noted. 5. THAT the Monthly Budget Statement Section 71 (1) report for M09, the period ending 31 March 2025 submitted by the Chief Financial Officer, be hereby received, and noted. 6. THAT the Assessment criteria for potential financial problems at a municipality, for the period ending 31 March 2025 submitted by the Chief Financial Officer, be hereby received, and noted. 7. THAT the tabled annual budget submitted by the Chief Financial Officer, be hereby received, and noted. 8. THAT a special Audit Committee meeting in June 2025 was requested by the Audit committee to address all the outstanding reports and the following was information was requested; detailed explanation on the reason for the increase in Salaries, Housing allowances as well as payments in lieu of leave and also details on payment in lieu of leave; the strategy that is in place for Traffic Fine Collections. Whether this strategy has been implemented and has it yielded any results so far; details on the variance of R476 000 that relates to council remuneration.	

Municipal Audit Committee Recommendations		
Date of audit committee meeting	Committee recommendations 2024 - 2025	Recommendation adopted (enter Yes) if No provide explanation
	9. THAT given the high risk of the fire, the Audit Committee advised that the Council and Management purchase a fire engine for the upcoming financial year.	
THURSDAY, 15 MAY 2025, ORDINARY MEETING	DEVIATIONS FROM THE SUPPLY CHAIN MANAGEMENT POLICY FOR JANUARY, FEBRUARY, MARCH 2025 (8/1/P) (CFO1022025) The report was considered wherein it was: The Audit Committee asked that the following information be submitted at a special meeting in June 2025: whether insurance claims for damaged beach facilities were received, whether damaged assets were written off, whether acquired assets were updated in the assets register and how it was determined that Nyameko Trading was the only service provider to repair the CCTV Cameras. IA108/05/2025 RESOLVED 1. THAT the report dated 14 April 2025, submitted by the Chief Financial Officer, regarding the Deviations from the Supply Chain Management Policy for January to March 2025, be and are received and noted; 2. THAT the deviations for the month of January to March 2025 amounting to R 1 046 192.80 was noted; 3. THAT it be noted that the Head of Departments ensure that deviations are minimized / eliminated; 4. THAT deviation forms be completed to support reasons as per section 36(a) and (b) of the Municipal Finance Management	Yes

Municipal Audit Committee Recommendations		
Date of audit committee meeting	Committee recommendations 2024 - 2025	Recommendation adopted (enter Yes) if No provide explanation
	Act, 2003, (Act no. 56 of 2003) (MFMA 2003); 5. THAT all deviation forms be supported by the Chief Financial Officer or other delegated authority. 6. THAT the following information be submitted in the special meeting in June 2025: whether insurance claims for damaged beach facilities were received, whether damaged assets were written off, whether acquired assets were updated in the assets register and how it was determined that Nyameko Trading was the only service provider to repair the CCTV Cameras.	
THURSDAY, 15 MAY 2025, ORDINARY MEETING	FRUITLESS WASTEFUL EXPENDITURE REGISTERS – JANUARY – MARCH 2025 (6/1/1) (CFO0982025) The report was considered wherein it was: IA109/05/2025 RESOLVED 1. THAT the report dated 07 April 2025, submitted by the Acting Chief Financial Officer, regarding the Fruitless and Wasteful Expenditure Registers for January to March 2025, be and is hereby received and noted; 2. THAT it be noted that the Fruitless Wasteful Expenditure registers for January, February to March 2025 amounted to R 8012.60 as follows: - January : R 3382.62; February : R 3523;70 and	Yes

Municipal Audit Committee Recommendations		
Date of audit committee meeting	Committee recommendations 2024 - 2025	Recommendation adopted (enter Yes) if No provide explanation
	March : R 1106.28. 3. THAT it be noted that where interest was charged because of late allocations, Ray Nkonyeni Municipality continuously engages with the relevant institutions (UGU, ESKOM etc.) to reverse the interest IRREGULAR EXPENDITURE FOR JANUARY – MARCH 2025 (8/1/P) (CFO1012025) The report was considered wherein it was: IA110/05/2025 RESOLVED 1. THAT the report dated 14 April 2025, submitted by the Chief Financial Officer, regarding Irregular expenditure, be and is hereby received; and 2. THAT there is no Irregular expenditure incurred in the months of January, February, March 2025.	
THURSDAY, 15 MAY 2025, ORDINARY MEETING ORDINARY MEETING	ASSET MANAGEMENT REPORT FOR MARCH 2025 (7/1/1) (CFO0932025) The report was considered wherein it was: IA111/05/2025 RESOLVED THAT the report dated 09 April 2025, submitted by the Acting Chief Financial Officer, regarding the Asset Management report for March 2025, be and is hereby received and noted; and THAT the Committee noted the report	Yes

Municipal Audit Committee Recommendations		
Date of audit committee meeting	Committee recommendations 2024 - 2025	Recommendation adopted (enter Yes) if No provide explanation
THURSDAY, 15 MAY 2025, ORDINARY MEETING ORDINARY MEETING	CONTRACT REGISTER AS AT MARCH 2025 (8/1/5) (CFO1032025) The report was considered wherein it was: The Audit committee requested that the CFO present an updated contract register in the Special Meeting in June 2025, indicating that user departments are submitting information timeously and indicating whether there was any contravention of section 116 (3) of the MFMA. The CFO was requested to provide the Budget for the new financial year to the Audit Committee for information purposes. IA112/05/2025 RESOLVED 1. THAT the report dated 07 April 2025, submitted by the Chief Financial Officer, regarding the Contract Register for March 2025, be and is hereby received and noted; 2. THAT Departments start with the procurement process for the contracts that are expiring within eight (08) months. 3. THAT Departments submits draft SLA's, within two (02) weeks after letter of appointment has been signed by MM, to SCM Manager for processing. 4. THAT the CFO presents an updated contract register in the Special Meeting in June 2025, indicating that user departments are submitting information timeously and also indicating whether there was any contravention of section 116 (3) of the MFMA.	Yes

Municipal Audit Committee Recommendations		
Date of audit committee meeting	Committee recommendations 2024 - 2025	Recommendation adopted (enter Yes) if No provide explanation
	5. THAT the CFO provides the Budget for the new financial year to the Audit Committee for information purposes.	
THURSDAY, 15 MAY 2025, ORDINARY MEETING ORDINARY MEETING	LITIGATION MATTERS FOR QUARTER THREE (3) – Manager Legal and Compliance 10.4.1 REPORT ON CONTINGENT LIABILITY REGISTER AS AT MARCH 2025 (9/1/2/5) (OMM23042025) The report was considered wherein it was: IA113/05/2025 RESOLVED THAT the report dated the 23rd of April 2025, submitted by the Municipal Manager, regarding the Contingent Liability Register as of March 2024, be and is hereby received and noted.	Yes
THURSDAY, 15 MAY 2025, ORDINARY MEETING ORDINARY MEETING	PROGRESS REPORT ON ANNUAL AUDIT PLAN 2024 - 2025 (10/2/1/1) ("J"/OMM/IA – 711072025) The report was considered wherein it was: Audit Committee requested the Completeness of Audit corrective action plans (AG to assist with ensuring all reported findings issues of noncompliance had been addressed) and it was requested that the SCM audit be conducted on quarterly basis. IA116/05/2025 RESOLVED 1. THAT the report dated 07 May 2025 from the Manager: Internal Audit and Risk Management regarding the progress report	Yes

Municipal Audit Committee Recommendations		
Date of audit committee meeting	Committee recommendations 2024 - 2025	Recommendation adopted (enter Yes) if No provide explanation
	on the annual audit plan 2024 – 2025, be and is hereby received and noted. 2. THAT it be noted that execution for the following projects has been completed: – Development of annual audit plan 2024 - 2025 – Review of Internal Audit charter 2024 - 2025 – Review of Audit Committee charter 2024 - 2025 – Review of Annual Performance Report 2023 - 2024 together with PMS Q4 – Review of Financial Statements 2023 – 2024 – Alignment and Linkage of IDP; SDBIP & Approved Budget – Performance Management System Review Q1: Portfolio of Evidence – Cleansing & Waste Management Audit – Compliance with DORA – Performance Management System Review Q.2 – 2024/2025 – Review of Implementation of Management corrective action plan 2023 – 2024 – Investigation of Irregular, fruitless, and Wasteful expenditure – Performance Management System Review Q.3 – 2024/2025 3. THAT it be noted that the following project is in progress: – Supply Chain Management Audit 4. THAT it be noted that the following project is not yet due: – Annual Inventory Management Review 5. THAT the completeness of Audit corrective action plans be provided (AG to assist with ensuring all reported findings	

Municipal Audit Committee Recommendations		
Date of audit committee meeting	Committee recommendations 2024 - 2025	Recommendation adopted (enter Yes) if No provide explanation
	issues of noncompliance had been addressed) and it was requested that the SCM audit be conducted on quarterly basis.	
THURSDAY, 15 MAY 2025, ORDINARY MEETING ORDINARY MEETING	PROGRESS REPORT ON ANNUAL AUDIT PLAN 2024 - 2025 (10/2/1/1) ("J"/OMM/IA – 711072025) The report was considered wherein it was: Audit Committee requested the Completeness of Audit corrective action plans (AG to assist with ensuring all reported findings issues of noncompliance had been addressed) and it was requested that the SCM audit be conducted on quarterly basis. IA116/05/2025 RESOLVED 1. THAT the report dated 07 May 2025 from the Manager: Internal Audit and Risk Management regarding the progress report on the annual audit plan 2024 – 2025, be and is hereby received and noted. 2. THAT it be noted that execution for the following projects has been completed: – Development of annual audit plan 2024 - 2025 – Review of Internal Audit charter 2024 - 2025 – Review of Audit Committee charter 2024 - 2025 – Review of Annual Performance Report 2023 - 2024 together with PMS Q4 – Review of Financial Statements 2023 – 2024 – Alignment and Linkage of IDP; SDBIP & Approved Budget	Yes

Municipal Audit Committee Recommendations		
Date of audit committee meeting	Committee recommendations 2024 - 2025	Recommendation adopted (enter Yes) if No provide explanation
	– Performance Management System Review Q1: Portfolio of Evidence – Cleansing & Waste Management Audit – Compliance with DORA – Performance Management System Review Q.2 – 2024/2025 – Review of Implementation of Management corrective action plan 2023 – 2024 – Investigation of Irregular, fruitless, and Wasteful expenditure – Performance Management System Review Q.3 – 2024/2025 3. THAT it be noted that the following project is in progress: – Supply Chain Management Audit 4. THAT it be noted that the following project is not yet due: – Annual Inventory Management Review 5. THAT the completeness of Audit corrective action plans be provided (AG to assist with ensuring all reported findings issues of noncompliance had been addressed) and it was requested that the SCM audit be conducted on quarterly basis.	
THURSDAY, 15 MAY 2025, ORDINARY MEETING ORDINARY MEETING	PROGRESS REPORT ON ANNUAL AUDIT PLAN 2024 - 2025 (10/2/1/1) ("J"/OMM/IA – 711072025) The report was considered wherein it was: Audit Committee requested the Completeness of Audit corrective action plans (AG to assist with ensuring all reported findings issues of noncompliance had been addressed) and it was requested that the SCM audit be conducted on quarterly basis.	Yes

Municipal Audit Committee Recommendations		
Date of audit committee meeting	Committee recommendations 2024 - 2025	Recommendation adopted (enter Yes) if No provide explanation
	IA116/05/2025 RESOLVED 1. THAT the report dated 07 May 2025 from the Manager: Internal Audit and Risk Management regarding the progress report on the annual audit plan 2024 – 2025, be and is hereby received and noted. 2. THAT it be noted that execution for the following projects has been completed: – Development of annual audit plan 2024 - 2025 – Review of Internal Audit charter 2024 - 2025 – Review of Audit Committee charter 2024 - 2025 – Review of Annual Performance Report 2023 - 2024 together with PMS Q4 – Review of Financial Statements 2023 – 2024 – Alignment and Linkage of IDP; SDBIP & Approved Budget – Performance Management System Review Q1: Portfolio of Evidence – Cleansing & Waste Management Audit – Compliance with DORA – Performance Management System Review Q.2 – 2024/2025 – Review of Implementation of Management corrective action plan 2023 – 2024 – Investigation of Irregular, fruitless, and Wasteful expenditure – Performance Management System Review Q.3 – 2024/2025 3. THAT it be noted that the following project is in progress: – Supply Chain Management Audit	

Municipal Audit Committee Recommendations		
Date of audit committee meeting	Committee recommendations 2024 - 2025	Recommendation adopted (enter Yes) if No provide explanation
	4. THAT it be noted that the following project is not yet due: – Annual Inventory Management Review 5. THAT the completeness of Audit corrective action plans be provided (AG to assist with ensuring all reported findings issues of noncompliance had been addressed) and it was requested that the SCM audit be conducted on quarterly basis.	
THURSDAY, 15 MAY 2025, ORDINARY MEETING ORDINARY MEETING	SUBMISSION OF INTERNAL AUDIT REPORTS (6/15/1/2/1) ("J"/OMM/IA – 302052025) The report was considered wherein it was: IA117/05/2025 RESOLVED 1. THAT the report dated 02 May 2025 from Manager: Internal Audit & Risk Management, regarding the submission of internal audit reports, be and is hereby received and noted; 2. THAT the findings raised in the report be addressed as per management commitments in the corrective action plan, where applicable.	Yes
FRIDAY, 27 JUNE 2025, SPECIAL AUDIT COMMITTEE VIRTUAL MEETING	RISK MANAGEMENT PROGRESS REPORT FOR QUARTER 4 (9/1/2/1) ("J"/OMM/IA 603062025) The report was considered. Manager Internal Audit & Risk Management introduced newly appointed Risk Coordinator Ms. Nandipha Mfokazi, and the Audit Committee welcomed her.	Yes

Municipal Audit Committee Recommendations		
Date of audit committee meeting	Committee recommendations 2024 - 2025	Recommendation adopted (enter Yes) if No provide explanation
	The Audit Committee advised that all governance risk related policy documents, i.e. the Risk Management charter, Risk Management strategy, Risk Tolerance Policy and Combined Insurance framework be submitted in the next Audit committee for notification and review for onward recommendations. Additionally, Key Risk Indicators should have their own column and be SMART; this will help to highlight early warning signs of risks. It was advised that an indication should be shared about an MOU with other local municipalities in the UGU District Municipality where there is a fire they could all descend and assist with fire suppression. IA103/06/2025 RESOLVED 1. THAT the report dated 17 June 2025 submitted by Manager: Internal Audit and Risk Management, outlining the progress made on risk mitigation efforts during Quarter 4; be received and noted; 2. THAT it be noted that monitoring and verification of the implementation of mitigation measures was conducted for all action plans that were due during Quarter 4; 3. It should be noted the monitoring of risk mitigation implementation will continue on an ongoing basis, aligned with due dates and progress reporting requirements in	

Municipal Audit Committee Recommendations		
Date of audit committee meeting	Committee recommendations 2024 - 2025	Recommendation adopted (enter Yes) if No provide explanation
	accordance with the Municipality's Risk Management Framework. 4. THAT all governance risk related policy documents i.e. the Risk Management charter, Risk Management strategy, Risk Tolerance Policy and Combined Insurance framework be submitted in the next Audit committee for notification and review for onward recommendations. 5. THAT Key Risk Indicators should have their own column and be SMART; this will help to highlight early warning signs of risks. 6. THAT information should be shared about an MOU with other local municipalities in the UGU District Municipality that where there is a fire they could all descend and assist with fire suppression.	
FRIDAY, 27 JUNE 2025, SPECIAL AUDIT COMMITTEE VIRTUAL MEETING	2025 - 2026 RISK ASSESSMENT (9/1/2/1) ("J"/OMM/IA 602062025) The report was considered. IA104/06/2025 RESOLVED 1. THAT the report dated 12 June 2025, submitted by the Manager: Internal Audit and Risk Management regarding the outcome of the Annual Risk Assessment for the 2025/2026 financial year, be received and duly considered.	Yes

Municipal Audit Committee Recommendations		
Date of audit committee meeting	Committee recommendations 2024 - 2025	Recommendation adopted (enter Yes) if No provide explanation
	2. It is noted that the Annual Risk Assessment has been successfully completed, covering the municipality's key risk profiles — namely Strategic, Operational, and Information and Communication Technology (ICT) risks — in line with the municipality's approved Risk Management Framework and relevant legislation. 3. THAT the Strategic Risk Register, Operational Risk Register, and ICT Risk Register be received, considered, and endorsed for the purposes of: -Strengthening municipal risk oversight and accountability; -Supporting the development of the internal audit coverage plan; -Enabling integration into departmental service delivery and performance management processes. 4. THAT the Risk Management Committee, in collaboration with line management and heads of departments, continue to monitor and review the identified risks on a quarterly basis, and report progress and emerging risks to the Audit Committee, in compliance with the Municipal Finance Management Act (MFMA) and the Risk Management Framework.	
FRIDAY, 27 JUNE 2025, SPECIAL AUDIT	STATUS ON IMPLEMENTATION OF COMPLIANCE – QUARTER 4 (9/1/2/5) ("J"/OMM/IA 604062025)	Yes

Municipal Audit Committee Recommendations		
Date of audit committee meeting	Committee recommendations 2024 - 2025	Recommendation adopted (enter Yes) if No provide explanation
COMMITTEE VIRTUAL MEETING	The report was considered wherein it was: IA105/06/2025 RESOLVED 1. THAT the report dated 24 June 2025, submitted by the Manager: Internal Audit and Risk Management on the status of implementation of the Compliance Register for April and May 2025, be received and noted. 2. THAT it is acknowledged that the Compliance Register is monitored monthly by Internal Audit and Risk Management and is formally reported to the Corporate Management Committee to ensure accountability and timely compliance. 3. It is noted that the municipality has complied with the legislative requirements of the MFMA and other applicable laws and regulations during the period under review.	
FRIDAY, 27 JUNE 2025, SPECIAL AUDIT COMMITTEE VIRTUAL MEETING	RESPONSE TO THE AUDIT COMMITTEE QUERIES - JUNE 2025 (10/1/2/5) (CFO0692025) The report was considered wherein it was: IA106/06/2025 RESOLVED 1. THAT the report dated 24 June 2025, submitted by the Chief Financial Officer for responses to the Audit	Yes

Municipal Audit Committee Recommendations		
Date of audit committee meeting	Committee recommendations 2024 - 2025	Recommendation adopted (enter Yes) if No provide explanation
	Committee Queries, be and were hereby received and considered; and 2. THAT the Committee noted the contents of the report together with the attached Annexure A and Annexure B.	
FRIDAY, 27 JUNE 2025, SPECIAL AUDIT COMMITTEE VIRTUAL MEETING	PROGRESS REPORT ON ANNUAL AUDIT PLAN 2024 – 2025 AS AT JUNE 2025 (10/2/1/1) (“J”/OMM/IA – 605062025) The report was considered wherein it was: IA107/06/2025 RESOLVED 1. THAT the report dated 24 JUNE 2025 from the Manager: Internal Audit and Risk Management regarding the progress report on the annual audit plan 2024 – 2025, be and was hereby received and noted. 2. THAT it be noted that execution for the following projects has been completed: Development of annual audit plan 2024 - 2025 -Review of Internal Audit charter 2024 - 2025 -Review of Audit Committee charter 2024 - 2025 -Review of Annual Performance Report 2023 - 2024 together with PMS Q4 -Review of Financial Statements 2023 – 2024	Yes

Municipal Audit Committee Recommendations		
Date of audit committee meeting	Committee recommendations 2024 - 2025	Recommendation adopted (enter Yes) if No provide explanation
	-Alignment and Linkage of IDP; SDBIP & Approved Budget -Performance Management System Review Q1: Portfolio of Evidence -Cleansing & Waste Management Audit -Compliance with DORA -Performance Management System Review Q.2 – 2024/2025 -Review of Implementation of Management corrective action plan 2023 – 2024 -Investigation of Irregular, fruitless, and Wasteful expenditure -Performance Management System Review Q.3 – 2024/2025 -Supply Chain Management Audit 3. THAT it be noted that the following project is in progress: Annual Inventory Management Review (Stock Count scheduled for Friday, 27th of June 2025.	
FRIDAY, 27 JUNE 2025, SPECIAL AUDIT COMMITTEE VIRTUAL MEETING	2025 - 2026 REVIEWED AUDIT COMMITTEE CHARTER (4/3/2/24) ("J"/OMM/IA 601062025) The report considered where it was: It was advised that "consulting" be replaced with "advisory" in the document to ensure the alignment with the newly revised standards. Also, page numbers are added in the document. IA108/06/2025 RESOLVED 1. THAT the report dated 23 June 2025, submitted by the Manager: Internal Audit &	Yes

Municipal Audit Committee Recommendations		
Date of audit committee meeting	Committee recommendations 2024 - 2025	Recommendation adopted (enter Yes) if No provide explanation
	Risk Management regarding the Reviewed Audit Committee Charter 2025 – 2026, be received and considered. 2. THAT it be noted that newly introduced and significantly enhanced provisions have been incorporated into the content of the Audit Committee Charter, distinguishing it from the version approved in the previous financial year. These enhancements aim to strengthen the governance, accountability, and effectiveness of the Audit Committee in alignment with the Municipal Finance Management Act (MFMA), King IV principles, and National Treasury guidance. 3. THAT it be noted that the following key provisions were introduced or substantively improved: -Induction and Ongoing Training – A standalone section has been added to ensure that all members undergo structured orientation and are afforded continuous professional development. This supports compliance with King IV and fosters informed capable oversight. -Rotation of Membership – A formal rotation policy has been introduced to allow staggered continuity of members, preserving institutional memory while ensuring the periodic infusion of new skills and perspectives. This aligns with good governance norms and enhances independence. -MPAC Integration – The Charter now formalises the relationship between the Audit Committee and the Municipal Public Accounts Committee (MPAC), including quarterly submission of reports and minutes, and availability of the Chairperson (or designate) for clarifications during oversight engagements.	

Municipal Audit Committee Recommendations		
Date of audit committee meeting	Committee recommendations 2024 - 2025	Recommendation adopted (enter Yes) if No provide explanation
	-Performance Assessment – An annual self-assessment requirement has been introduced for both the collective performance of the Committee and individual member contributions. This provision promotes transparency, accountability, and the ongoing relevance of the Audit Committee’s expertise. 4. THAT the Reviewed Audit Committee Charter for 2025 – 2026 was recommended to Council for approval in accordance with the requirements of Section 166 of the MFMA.	
FRIDAY, 27 JUNE 2025, SPECIAL AUDIT COMMITTEE VIRTUAL MEETING	AUDIT COMMITTEE ANNUAL WORK PLAN FOR THE 2025 – 2026 FINANCIAL YEAR (6/15/1/2/1) (“J”)/OMM/IA 61062025 The report was considered wherein it was: IA109/06/2025 RESOLVED 1. THAT the report dated 23 June 2025, submitted by the Manager: Internal Audit & Risk Management, regarding the Audit Committee Annual Work Plan for the 2025–2026 financial year, be received and noted; 2. THAT in accordance with Section 166 of the Municipal Finance Management Act (MFMA) and the approved Audit Committee Charter, the Audit Committee has developed an Annual Work Plan to effectively discharge its legislative and governance responsibilities. 3. THAT the Audit Committee Annual Work Plan for 2025–2026 was considered and recommended for approval by Council.	Yes
FRIDAY, 27 JUNE 2025, SPECIAL	PROGRESS ON THE IMPLEMENTATION OF THE AUDIT COMMITTEE ANNUAL	Yes

Municipal Audit Committee Recommendations		
Date of audit committee meeting	Committee recommendations 2024 - 2025	Recommendation adopted (enter Yes) if No provide explanation
AUDIT COMMITTEE VIRTUAL MEETING	WORK PLAN 2025 - 2026 (6/15/1/2/1) ("J"/OMM/IA 608062025) The report was considered wherein it was: IA110/06/2025 RESOLVED 1. THAT the report dated 24 June 2025 submitted by Manager: Internal Audit & Risk Management, regarding the progress on the implementation of the Audit Committee's Annual Work Plan 2024 - 2025, be and was hereby received and noted; 2. THAT the committee noted the progress provided in the Audit Committee Annual Work Plan.	
FRIDAY, 27 JUNE 2025, SPECIAL AUDIT COMMITTEE VIRTUAL MEETING	2025 – 2026 REVIEWED INTERNAL AUDIT CHARTER (4/3/2/24) ("J"/OMM/IA 601062025) The report was considered wherein it was: IA111/06/2025 RESOLVED 1. THAT the report dated 23 June 2025, submitted by the Manager: Internal Audit & Risk Management, regarding the Audit Committee Annual Work Plan for the 2025–2026 financial year, be received and noted; 2. THAT in accordance with Section 166 of the Municipal Finance Management Act (MFMA) and the approved Audit Committee Charter, the Audit Committee has developed an Annual Work Plan to effectively discharge its legislative and governance responsibilities.	Yes

Municipal Audit Committee Recommendations		
Date of audit committee meeting	Committee recommendations 2024 - 2025	Recommendation adopted (enter Yes) if No provide explanation
	3. THAT the Audit Committee Annual Work Plan for 2025–2026 was considered and recommended for approval by Council.	
FRIDAY, 27 JUNE 2025, SPECIAL AUDIT COMMITTEE VIRTUAL MEETING	2025 - 2025 REVIEWED METHODOLOGY FOR THE RAY NKONYENI MUNICIPALITY INTERNAL AUDIT UNIT (6/15/1/2/1) ("J"/OMM/IA 608062025) The report was considered wherein it was: IA112/06/2025 RESOLVED 1. THAT the report dated 24 June 2025, submitted by the Manager: Internal Audit & Risk Management, regarding the reviewed Internal Audit Methodology for the Ray Nkonyeni Municipality Internal Audit Unit for the 2025 – 2026 financial year, be received and considered. 2. It should be noted that the methodology has been updated to align with the following key changes: -Full alignment with the 2024 Global Internal Audit Standards (five Domains, 15 Principles, and related Requirements); Integration of Section 165 of the MFMA and other relevant legislative references; -Introduction of a formal Quality Assurance and Improvement Program (QAIP); -Inclusion of the Internal Audit Unit's role in the Combined Assurance Framework; -Defined management response timelines and enhanced accountability mechanisms; -Reinforcement of ethical conduct and professional development requirements. 3. THAT the implementation of the updated Internal Audit Methodology for the	Yes

Municipal Audit Committee Recommendations		
Date of audit committee meeting	Committee recommendations 2024 - 2025	Recommendation adopted (enter Yes) if No provide explanation
	2025–2026 financial year was approved, and that the methodology was subjected to annual review to ensure continued compliance with legislation, standards, and governance best practices.	
FRIDAY, 27 JUNE 2025, SPECIAL AUDIT COMMITTEE VIRTUAL MEETING	SUBMISSION OF INTERNAL AUDIT REPORTS (6/15/1/2/1) (“J”/OMM/IA 607062025) 2025 - 2025 REVIEWED METHODOLOGY FOR THE RAY NKONYENI MUNICIPALITY INTERNAL AUDIT UNIT (6/15/1/2/1) (“J”/OMM/IA 608062025) The report was considered wherein it was: IA112/06/2025 RESOLVED 3. THAT the report dated 24 June 2025, submitted by the Manager: Internal Audit & Risk Management, regarding the reviewed Internal Audit Methodology for the Ray Nkonyeni Municipality Internal Audit Unit for the 2025 – 2026 financial year, be received and considered 4. THAT it be noted that the methodology has been updated to align with the following key changes: -Full alignment with the 2024 Global Internal Audit Standards (five Domains, 15 Principles, and related Requirements); - Integration of Section 165 of the MFMA and other relevant legislative references; -Introduction of a formal Quality Assurance and Improvement Program (QAIP); -Inclusion of the Internal Audit Unit’s role in the Combined Assurance Framework; -Defined management response timelines and enhanced accountability mechanisms; -Reinforcement of ethical conduct and professional development requirements.	Yes

Municipal Audit Committee Recommendations		
Date of audit committee meeting	Committee recommendations 2024 - 2025	Recommendation adopted (enter Yes) if No provide explanation
	3. THAT the implementation of the updated Internal Audit Methodology for the 2025–2026 financial year was approved, and that the methodology was subjected to annual review to ensure continued compliance with legislation, standards, and governance best practices. The report was considered wherein it was: The Audit Committee suggested that outstanding information on the rollovers that was not received be reported at the next audit committee meeting if they were submitted. IA113/06/2025 RESOLVED 1. THAT the report dated 24 June 2025 submitted by Manager: Internal Audit & Risk Management, regarding the submission of internal audit reports, be and was hereby received and noted. 2. THAT outstanding information on the rollovers that was not received be reported in the next audit committee meeting if they were submitted.	
FRIDAY, 27 JUNE 2025, SPECIAL AUDIT COMMITTEE VIRTUAL MEETING	RISK-BASED INTERNAL AUDIT PLAN FOR 2025 – 2026 (6/15/1/1/1) (“J”/OMM/IA 611062025) The report was considered wherein it was: IA114/06/2025 RESOLVED 1. THAT the report dated 24 June 2025 submitted by the Manager: Internal Audit &	Yes

Municipal Audit Committee Recommendations		
Date of audit committee meeting	Committee recommendations 2024 - 2025	Recommendation adopted (enter Yes) if No provide explanation
	Risk Management, regarding the Risk-Based Internal Audit Plan for 2025–2026, be received and noted; 2. THAT the Risk-Based Internal Audit Plan for the 2025–2026 financial year be approved for implementation; 3. THAT the Strategic Internal Audit Plan for the outer years 2026–2028 be received and used as a guideline for future planning, subject to annual review; 4. THAT quarterly progress updates on the implementation of the annual audit plan were submitted to the Audit Committee for oversight, in line with Section 166(2)(a)(iv) of the MFMA and the Audit Committee Charter.	
FRIDAY, 27 JUNE 2025, SPECIAL AUDIT COMMITTEE VIRTUAL MEETING	INVESTIGATION OF IRREGULAR EXPENDITURE DISCLOSED IN THE AUDITED ANNUAL FINANCIAL STATEMENTS 2023 – 2024 AND THE CONSOLIDATED IRREGULAR, FRUITLESS AND WASTEFUL EXPENDITURE IDENTIFIED IN THE 2024 – 2025 FINANCIAL YEAR (10/2/1/1) (“J”/OMM/IA – 606062025) The report was considered wherein it was: IA115/06/2025 RESOLVED 1. THAT the report dated 24 June 2025 submitted by the Manager: Internal Audit and Risk Management regarding the investigation of irregular fruitless and wasteful expenditure disclosed in the audited annual financial statements 2023 – 2024 and the consolidated irregular, fruitless and wasteful expenditure identified in the 2024 – 2025 financial year, be and is hereby received and noted;	Yes

Municipal Audit Committee Recommendations		
Date of audit committee meeting	Committee recommendations 2024 - 2025	Recommendation adopted (enter Yes) if No provide explanation
	2. THAT it be noted that the review covered transactions reported up to April 2025; 3. THAT it be noted that no irregular expenditure had been reported for the 2024 – 2025 (current) financial year. 4. THAT the report was submitted to MPAC and further recommended to the Council for write-off; 5. THAT it be noted that the Municipal Council resolved to write off the irregular, fruitless and wasteful expenditure detailed in the report.	

Appendix H: Long Term Contracts and Public Private Partnership

The Ray Nkonyeni Municipality has been in partnership with Njilo Consulting and Logistics (PTY) LTD for a period of 60 months from the year 2020.

Appendix I: Service Provider Performance Schedule

The monitoring of the service provider's performance is ensured through the signing of the Service Level Agreement (SLA) as well as the General Conditions of Contracts (GCC) and Professional Services Contract for construction-related projects. The management of the contract is done by SCM under Treasury Department. The contract management unit draft the SLA, and they are vetted by Legal and Compliance unit which is stationed at Corporate Services Department. The contract register is tabled at the Corporate Management Committee Meetings. The services providers who fail to perform are reported to SCM and the necessary action has been taken including the termination of the contract.

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

<i>Bid Number</i>	<i>Name of External Service Provider</i>	<i>Date Contract Awarded</i>	<i>Service provided in terms of the SLA</i>	<i>Value of project</i>	<i>Comparison with previous year</i>		<i>Current Financial Year</i>		<i>Assessment of Service Providers Performance</i>		
					<i>Target</i>	<i>Actual</i>	<i>Target</i>	<i>Actual</i>	<i>G</i>	<i>S</i>	<i>P</i>
8/2/R NM0 361	Ziyanda	19 June 2023	Repairs of Mbhel	R 588 282.96	100 %	100%	0%	100%	G		

Bid Number	Name of External Service Provider	Date Contract Awarded	Service provided in terms of the SLA	Value of project	Comparison with previous year		Current Financial Year		Assessment of Service Providers Performance		
					Target	Actual	Target	Actual	G	S	P
	Engineers		e Pedestrian Bridge in Ward 29								
8/2/R NM0 361	Dlamin dlovu Engineers	19 June 2023	Nosit ha Pedestrian bridge	R 1 436 107.34	100 %	100%	100 %	100%			
8/2/R NM0 361	Black Destiny Engineers	19 June 2023	Ngqu mbele Vehicular Bridge	Yet to be determined	100 %	100%	100 %	100%			

Bid Number	Name of External Service Provider	Date Contract Awarded	Service provided in terms of the SLA	Value of project	Comparison with previous year		Current Financial Year		Assessment of Service Providers Performance		
					Target	Actual	Target	Actual	G	S	P
8/2/R NM0 361	Masututsa Engineers	19 June 2023	Mbayi mbayi Road upgrade	R 3 382 796.55	100 %	100%	100 %	100%			
8/2/R NM0 361	Abazingeli Engineers	19 June 2023	Ward 34 Rehabilitation of Grave I Roads	R 681 420.78	100 %	100%	100 %	100%	G		
8/2/R NM0 453	Mbovudynamics	17 September 2024	Ward 34 Grave I Road (Mashimane Road)	R 3 208 005.55	100 %	100%	100 %	100%	G		

Bid Number	Name of External Service Provider	Date Contract Awarded	Service provided in terms of the SLA	Value of project	Comparison with previous year		Current Financial Year		Assessment of Service Providers Performance		
					Target	Actual	Target	Actual	G	S	P
8/2/R NM0 453	Amandala Projects	14 August 2024	Rural Roads and Storm water Rehabilitation for 3 years	R 3 543 630,34	98 %	98%	98 %	98%	G		
8/2/R NM0 453	Siyaroro Trading	14 August 2024	Rural Roads and Storm water Rehabilitation for 3 years	R 3 179 569,45	100 %	100%	100 %	100%	G		

Bid Number	Name of External Service Provider	Date Contract Awarded	Service provided in terms of the SLA	Value of project	Comparison with previous year		Current Financial Year		Assessment of Service Providers Performance		
					Target	Actual	Target	Actual	G	S	P
8/2/R NM0 453	Fez Building and Construction	14 August 2024	Rural Roads and Storm water Rehabilitation for 3 years	R 3 198 292,89	100 %	100%	100 %	100%	G		
8/2/R NM0 453	Mpilebanzi Projects	14 August 2024	Rural Roads and Storm water Rehabilitation for 3 years	R 3 160 846,01	100 %	100%	100 %	100%	G		

Bid Number	Name of External Service Provider	Date Contract Awarded	Service provided in terms of the SLA	Value of project	Comparison with previous year		Current Financial Year		Assessment of Service Providers Performance		
					Target	Actual	Target	Actual	G	S	P
8/2/R NM0 453	Royal Media House	14 August 2024	Rural Roads and Storm water Rehabilitation for 3 years	R 3 104 675,70	100 %	100%	100 %	100%	G		
8/2/R NM0 453	Syanda Investment	14 August 2024	Rural Roads and Storm water Rehabilitation for 3 years	R 3 160 846,01	100 %	100%	100 %	100%	G		

Bid Number	Name of External Service Provider	Date Contract Awarded	Service provided in terms of the SLA	Value of project	Comparison with previous year		Current Financial Year		Assessment of Service Providers Performance		
					Target	Actual	Target	Actual	G	S	P
8/2/R NM0 453	Khulamntanami	14 August 2024	Rural Roads and Storm water Rehabilitation for 3 years	R 3 114 335,70	100 %	100%	100 %	100%	G		
8/2/R NM0 392	TRIBUTARY of SUCCESS JV ALUNGA	18th August 2023	Construction of Mazubane Dikwe Pedestrian bridge	R4 001 005.25	100 %	100%	100 %	100%		S	

Bid Number	Name of External Service Provider	Date Contract Awarded	Service provided in terms of the SLA	Value of project	Comparison with previous year		Current Financial Year		Assessment of Service Providers Performance		
					Target	Actual	Target	Actual	G	S	P
8/2/R NM0 412	SYANDA INVESTMENT	13th October 2023	Construction of Lonjanito Khumbuza road	R7 513 541.38	100 %	100%	100 %	100%	G		
8/2/R NM0 361	BVI ENGINEERS	01st September 2023	Construction of Oatland landfill site	R 15 144 851.01	100 %	100%	100 %	100%		S	
8/2/R NM0 470	APPIL EHNANDI E TRADING	11 October 2024	Corner house ring road	R13 800 964.05	60 %	70%	110 0% 00	90%7 7	G		

Bid Number	Name of External Service Provider	Date Contract Awarded	Service provided in terms of the SLA	Value of project	Comparison with previous year		Current Financial Year		Assessment of Service Providers Performance		
					Target	Actual	Target	Actual	G	S	P
8/2/R NM0 461	MADS TOF	08 August 2024	BOM VINI GRAVEL ROAD	R5 323 433.95	85 %	100%	100 %	100%		S	
8/2/R NM0 401	APPIL EH NANDI E TRADING	14 May 2024	NKAN GENI VEHI CULAR BRIDGE	R 14 705 655.00	50 %	70%	100 %	85%		S	
8/2/R NM0 451	Gramma solution	May 2024	Upgrading of Mandla Mzele mu access road	R16 695 571,20	100 % Compete	55% Complete	100 % Complete	80% TO Completion		S	

Bid Number	Name of External Service Provider	Date Contract Awarded	Service provided in terms of the SLA	Value of project	Comparison with previous year		Current Financial Year		Assessment of Service Providers Performance		
					Target	Actual	Target	Actual	G	S	P
8/2/R NM0 166	TPA consulting	27 January 2024	Upgrading of Mandla Mzele mu access road	R 2 337 379,97	100% Complete	55% Complete	100% Complete	80% Complete	G		
8/2/R NM0 166	RCN Engineering consultants	27 January 2024	Renovation of Wellness centre	R 426 418.53	100% complete	100% complete	100% complete	100% complete	G		
8/2/R NM0 442	MBAN DU TRADING	22 APRIL 2024	Renovation of Wellness	R 3 537 091.80	100% complete	100% complete	100% complete	100% complete	G		

Bid Number	Name of External Service Provider	Date Contract Awarded	Service provided in terms of the SLA	Value of project	Comparison with previous year		Current Financial Year		Assessment of Service Providers Performance		
					Target	Actual	Target	Actual	G	S	P
			Centre								
8/2/R NM0 166	Dummy and Thembu Trading and Projects JV Chiliza	13 February 2024	Construction of Margate Ext. 3 Pedestrian Bridge	R3,601,266,15	70% complete	100% completed	100% complete	85% complete		S	
8/2/R NM0 166	Darting Consulting engineers	27 January 2024	Construction of Margate Ext Pedestrian Bridge	R 487 958,78	70% complete	100% complete	100% complete	85% complete			

Bid Number	Name of External Service Provider	Date Contract Awarded	Service provided in terms of the SLA	Value of project	Comparison with previous year		Current Financial Year		Assessment of Service Providers Performance		
					Target	Actual	Target	Actual	G	S	P
8/2/R NM0 468	NSAYI ZI CONSTRUCTION	16 OCTOBER 2024	Nhlangeni (Nhlangeni Vehicular Bridge and Upgrade of 2km Link Road-Ward 9	R15 300 612.69	N/A	N/A	30 %	20%		S	
8/2/R NM0 467	SYANDASHEP PY JV	02 SEPTEMBER 2024	The Upgrade of Nkanyezi Road-	R14 855 468.17	N/A	N/A	30 %	8.4%		S	

Bid Number	Name of External Service Provider	Date Contract Awarded	Service provided in terms of the SLA	Value of project	Comparison with previous year		Current Financial Year		Assessment of Service Providers Performance		
					Target	Actual	Target	Actual	G	S	P
			Ward 10								
8/2/RNM0445	EYETHU PROJECTS	14 FEBRUARY 2025	Urban Roads and Storm water Rehabilitation on:/ Rehabilitation of Kindestrand Street in Leisure Bay-	R4 561 773.78	N/A	N/A	100 % Complete	55% Complete		S	

Bid Number	Name of External Service Provider	Date Contract Awarded	Service provided in terms of the SLA	Value of project	Comparison with previous year		Current Financial Year		Assessment of Service Providers Performance		
					Target	Actual	Target	Actual	G	S	P
			Ward 1								
8/2/R NM0 166	NAKO ILISO CONSULTING	27 January 2024	Hibberdene Market Stalls	R 817 924.32	100% Complete	95% Complete	100% Complete	95% Complete		S	
8/2/R NM0 457	HIGHPOINT TRADING 367 CC	06 May 2024	Hibberdene Market Stalls	R 3 873 105.76	100% Complete	95% Complete	100% Complete	95% Complete			P
8/2/R NM0 166	HI-TECH CONSULTING ENGINEERS	27 January 2024	Refurbishment of Tatane Sportsfield	R1 782 327.50	100% Complete	35% Complete	100% Complete	50% Complete		S	

Bid Number	Name of External Service Provider	Date Contract Awarded	Service provided in terms of the SLA	Value of project	Comparison with previous year		Current Financial Year		Assessment of Service Providers Performance		
					Target	Actual	Target	Actual	G	S	P
8/2/R NM0 441	SANTO CIVIL TRANS	15 April 2024	Refurbishment of Tatane Sportsfield	R11 500 000.01	100 % Complete	35% Complete	100 % Complete	50% Complete		S	
8/2/R NM0 166	MVUBU CONSULTING & PM	27 January 2024	Construction of Margate Hall	R 5 404 609.60	70 % complete	45% complete	100 % Complete	50% Complete		S	
8/2/R NM0 448	DUROSHA INVESTMENTS	21 June 2024	Construction of Margate Hall	R 32 543 651.28	70 % complete	45% complete	100 % Complete	50% Complete		S	
8/2/R NM0 166	RCN CONSULTANTS	27 January 2024	Upgrade & Renovations of Staff Depot	R1 703 840.00	100 % Complete	40% Complete	100 % Complete	45% Complete		S	

Bid Number	Name of External Service Provider	Date Contract Awarded	Service provided in terms of the SLA	Value of project	Comparison with previous year		Current Financial Year		Assessment of Service Providers Performance		
					Target	Actual	Target	Actual	G	S	P
			Ablutions								
8/2/RNM0444	VIKINDUKU JV NGETHES TRADING	22 April 2024	Upgrade & Renovations of Staff Depot Ablutions	R8 664 317.96	100% Complete	40% Complete	100% Complete	45% Complete			P

Actions to be taken for poor performance by service providers:

- **8/2/RNM0347 – HIGH POINT TRADING – CONSTRUCTION OF HIBBERDENE MARKET STALLS**

Contractor has failed to finish the snag list of the project. The final retention will be withheld by the service provider so that another contractor can be appointed to finish the snags.

- **8/2/RNM0444 – VIKINDUKU JV NGETHES TRADING – UPGRADE & RENOVATIONS OF STAFF DEPOT ABLUTION**

Contractor has faced financial challenges due to underpricing of key components of the project. Contractor has been granted extension of time till

end of September 2025; Penalties will be affected should the service provider fail to complete the project on the additional time granted.

Appendix J: Disclosure of Financial Interest

The Municipality has in place a system that requires that councillors and officials' complete declaration of interest forms when they join the municipality, thereafter they are requested to ensure that they keep this information updated on an annual basis dependent on whether there are any changes to what the municipality has on record.

These forms are readily available and allow the municipality to monitor conflicts of interest that may arise during its operations. The municipality also maintains the declarations of interest as a standing item at all its meetings to allow councillors and officials to avoid conflict of interest on any matters arising from the meeting. The Municipal Manager supported by Council also issued a directive which forbids municipal officials from registering companies on the municipal database to avoid audit queries regarding trading with employees.

Appendix K Revenue Collection

K1 Revenue Collection Performance by Vote

K1/2016 Ray Nkonyeni - Table C.1 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M12 - June

Vote Description	Ref	2023/24		Budget Year 2024/25						
		Actual	Original	Adjusted	Monthly actual	YearTD actual	YearTD	YTD	YTD %	Full Year
Revenue by Vote										
Vote 1 - Mayor and Council	1	380 007	380 729	380 729	—	380 333	380 729	(5 996)	-1.6%	380 729
Vote 2 - Finance and Administration	2	384 675	384 675	383 561	4 229	540 201	540 561	(1 850)	-0.3%	540 561
Vote 3 - Internal Audit	3	—	—	—	—	—	—	—	—	—
Vote 4 - Community and Social Services	4	16 142	17 582	20 816	79	17 414	20 816	(12 404)	-41.8%	20 816
Vote 5 - Sport and Recreation	5	50	77	50	8	55	50	5	9.0%	50
Vote 6 - Public Safety	6	2 167	175	175	10	116	175	20	11.2%	175
Vote 7 - Housing	7	36 347	2 596	3 840	13	4 028	2 890	1 131	36.1%	2 890
Vote 8 - Health	8	—	—	—	—	—	—	—	—	—
Vote 9 - Planning and Development	9	128 519	121 787	126 865	333	80 966	126 865	(35 899)	-28.2%	126 865
Vote 10 - Road Transport	10	116 700	51 400	58 660	2 053	33 068	58 660	(15 762)	-25.2%	58 660
Vote 11 - Environment Protection	11	333	388	388	31	340	388	(15)	-4.0%	388
Vote 12 - Energy Services	12	189 472	224 678	215 089	18 463	188 943	215 089	(16 146)	-7.2%	215 089
Vote 13 - Other	13	384	632	2 473	(1 200)	887	2 473	(1 473)	-15.8%	2 473
Vote 14 - Waste Water Management	14	—	—	—	—	—	—	—	—	—
Vote 15 - Waste Management	15	76 287	81 844	82 272	1 688	70 796	82 272	(6 476)	-7.6%	82 272
Total Revenue by Vote	2	1 649 687	1 632 305	1 623 261	24 208	1 329 786	1 623 261	(34 637)	-6.6%	1 623 260
Expenditure by Vote										
Vote 1 - Mayor and Council	1	84 420	81 218	81 202	3 968	88 460	81 202	(2 591)	-4.2%	81 202
Vote 2 - Finance and Administration	2	278 422	279 479	282 804	21 408	222 868	282 804	(15 167)	-26.3%	282 804
Vote 3 - Internal Audit	3	88 174	81 443	108 168	9 086	101 140	108 168	(6 028)	-7.2%	108 168
Vote 4 - Community and Social Services	4	87 273	72 228	70 871	4 179	72 280	70 871	(3 481)	-4.8%	70 871
Vote 5 - Sport and Recreation	5	3 022	3 314	3 831	494	3 680	3 831	(150)	-2.4%	3 831
Vote 6 - Public Safety	6	37 186	30 086	71 382	7 060	71 278	71 382	(106)	-0.4%	71 382
Vote 7 - Housing	7	47 182	13 388	13 594	1 107	18 978	13 594	(6 115)	-3.8%	13 594
Vote 8 - Health	8	—	—	—	—	—	—	—	—	—
Vote 9 - Planning and Development	9	46 717	74 269	70 567	3 540	84 072	70 567	(15 494)	-21.8%	70 567
Vote 10 - Road Transport	10	188 807	258 133	228 833	(15 486)	223 603	228 833	(5 629)	-2.3%	228 833
Vote 11 - Environment Protection	11	27 400	27 694	28 594	1 494	28 155	28 594	(431)	-1.3%	28 594
Vote 12 - Energy Services	12	182 299	180 942	184 809	30 573	189 956	184 809	3 147	1.7%	184 809
Vote 13 - Other	13	3 549	6 431	6 870	476	4 740	6 870	(2 130)	-31.2%	6 870
Vote 14 - Waste Water Management	14	—	—	—	—	—	—	—	—	—
Vote 15 - Waste Management	15	187 417	179 633	183 868	13 122	184 748	183 868	780	0.4%	183 868
Total Expenditure by Vote	2	1 230 304	1 288 888	1 347 814	(13 602)	1 252 147	1 347 814	(94 857)	-7.0%	1 347 814
Surplus (Deficit) for the year	2	419 383	343 417	275 447	37 810	7 639	275 447	438	0.6%	275 447

K 2: Revenue Collection Performance by Source

KZN216 Ray Nkonyeni - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M12 - June

Description	Ref	2023/24	Budget Year 2024/25							
		Audited	Original	Adjusted	Monthly actual	YearTD actual	YearTD	YTD	YTD %	Full Year
R thousands	1									
Revenue - Functional										
Governance and administration		879 912	891 488	894 730	4 538	887 534	894 730	(7 196)	-1%	894 730
Executive and council		285 237	302 729	302 729	—	297 333	302 729	(5 396)	-2%	302 729
Finance and administration		594 675	588 679	592 001	4 559	590 201	592 001	(1 800)	0%	592 001
Internal audit		—	—	—	—	—	—	—	—	—
Community and public safety		57 612	20 353	32 919	112	21 671	32 919	(11 248)	-34%	32 919
Community and social services		16 142	17 592	29 818	78	17 414	29 818	(12 404)	-42%	29 818
Sport and recreation		56	77	50	9	55	50	5	9%	50
Public safety		2 167	175	156	12	176	156	20	13%	156
Housing		28 247	2 509	2 895	13	4 028	2 895	1 131	39%	2 895
Health		—	—	—	—	—	—	—	—	—
Economic and environmental services		245 548	183 562	195 723	2 417	144 227	195 723	(51 497)	-28%	195 723
Planning and development		128 514	131 761	126 665	333	90 666	126 665	(35 699)	-28%	126 665
Road transport		116 700	51 433	66 660	2 053	52 898	66 660	(15 763)	-23%	66 660
Environmental protection		333	398	398	31	363	398	(35)	-9%	398
Trading services		285 862	306 326	297 361	16 372	274 738	297 361	(22 621)	-8%	297 361
Energy services		189 475	224 676	215 089	16 483	198 943	215 089	(16 146)	-8%	215 089
Water management		—	—	—	—	—	—	—	—	—
Waste water management		—	—	—	—	—	—	—	—	—
Waste management		76 387	81 644	82 272	1 889	75 796	82 272	(6 476)	-8%	82 272
Other	4	596	632	2 473	(1 295)	597	2 473	(1 875)	-76%	2 473
Total Revenue - Functional	2	1 448 497	1 482 265	1 423 205	24 256	1 328 768	1 423 285	(94 437)	-7%	1 423 205

Appendix L: Conditional Grants (Excluding MIG)

Conditional Grants: excluding MIG						R' 000
Details	Budget	Adjustments	Actual	Variance		Major conditions applied by donors (continue below if necessary)
		Budget		Budget	Adjustments Budget	
National Government:	131 373	116 895	102 950			
Integrated Urban Development Grant	86 218	86 740	86 740	99%	99%	
Neighbourhood Development Partnership Grant	40 000	25 000	11 055	28%	44%	
Expanded Public Works Programme Integrated Grant	3 255	3 255	3 255	100%	100%	
Local Government Financial Management Grant	1 900	1 900	1 900	100%	100%	
* This includes Neighbourhood Development Partnership Grant, Public Transport Infrastructure and Systems Grant and any other grant excluding Municipal Infrastructure Grant (MIG) which is dealt with in the main report, see T 5.8.3. Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual. Obtain a list of grants from national and provincial government.						

T L

Appendix M: Capital Expenditure – New & Upgrade/ Renewal Programmes: Including MIG

Appendix M(i): Capital Expenditure – New Assets Programme

This Appendix relates to all capital expenditure relating to the new asset programme, showing the actual of the prior year, the adjusted budget and actual expenditure in the current year.

New Assets Programme	Actual Expenditure 2023/2024	Budget 2024/2025	Expenditure 2024/2025	Remaining Budget 2024/2025	(-) Adjustment	(+) Adjustment	Adjusted budget 2024/2025
Borehole Treasury Offices	0.00	400,000.00	0.00	0.00	-400,000.00	0.00	0.00
Construction of Municipal Asphalt Plant	0.00	800,004.00	0.00	300,004.00	-500,000.00	0.00	300,004.00
Hibberdene Market Stalls Internal Funded	886,021.52	1,400,000.00	2,863,157.08	536,842.92	0.00	2,000,000.00	3,400,000.00
MLB Offices in Ward 17	0.00	100,000.00	0.00	0.00	-100,000.00	0.00	0.00
Municipal Vehicle Pound in Ward 17	0.00	6,000,004.00	0.00	0.00	-6,000,004.00	0.00	0.00
Water Tanks	0.00	300,000.00	0.00	0.00	-300,000.00	0.00	0.00
Oatlands Landfill Site Cost	10,130,743.08	2,000,000.00	1,727,380.49	1,772,619.51	0.00	1,500,000.00	3,500,000.00

New Assets Programme	Actual Expenditure 2023/2024	Budget 2024/2025	Expenditure 2024/2025	Remaining Budget 2024/2025	(-) Adjustment	(+) Adjustment	Adjusted budget 2024/2025
Pedestrian Bridge Extension 3 Ward 6	1,393,404.66	999,996.00	1,019,495.53	0.47	0.00	19,500.00	1,019,496.00
Nkangeni Vehicular Bridge Ward 25	2,253,004.34	3,999,996.00	7,844,789.70	0.30	0.00	3,844,794.00	7,844,790.00
Nqumbela Bridge ward 7	0.00	100,000.00	0.00	0.00	-100,000.00	0.00	0.00
Mgodlwa Bridge ward 8	0.00	100,000.00	0.00	0.00	-100,000.00	0.00	0.00
Outdoor Gym Facilities	0.00	99,996.00	6,118.00	8.00	-93,870.00	0.00	6,126.00
Installation of New Solar Streetlights	0.00	1,000,000.00	869,033.28	-59,687.28	-190,654.00	0.00	809,346.00
Port Shepstone Park and Beautification Ward 18	0.00	800,004.00	400,000.00	4.00	-400,000.00	0.00	400,004.00
Bhayiya Vehicular Bridge	924,702.05	1,000,004.00	1,378,994.62	0.38	0.00	378,991.00	1,378,995.00

New Assets Programme	Actual Expenditure 2023/2024	Budget 2024/2025	Expenditure 2024/2025	Remaining Budget 2024/2025	(-) Adjustment	(+) Adjustment	Adjusted budget 2024/2025
Nhlangeni Vehicular Bridge	1,441,014.04	3,999,996.00	699,561.76	434.24	-3,300,000	0.00	699,996.00
Community Park in Ward 5	2,113,017.09	50,000.00	0.00	0.00	-50,000.00	0.00	0.00
Installation of New Street Lights	2,299,9999.76	1,500,000.00	1,925,247.15	0.85	0.00	425,248.00	1,925,248.00
Mazubane/Dikwe Pedestrian Bridge Ward 20	3,445,716.16	300,000.00	246,236.96	0.04	-53,763.00	0.00	246,237.00
Mazubane Pedestrian Bridge (Ward 21)	253,985.52	999,996.00	0.00	0.00	-999,996.00	0.00	0.00
Nkandla Bridge	0.00	1,000,004.00	895,235.8	0.20	-104,768.00	0.00	895,236.00
Contractors: Electrical Contractors (Bhobhoyi Electrification Ward 20)	0.00	0.00	0.00	803,042	0.00	803,042.00	803,042.00
Contractors: Electrical Contractors	0.00	0.00	125,080.00	15,122.00	0.00	140,202.00	140,202.00

New Assets Programme	Actual Expenditure 2023/2024	Budget 2024/2025	Expenditure 2024/2025	Remaining Budget 2024/2025	(-) Adjustment	(+) Adjustment	Adjusted budget 2024/2025
(Ncukeni Electrification Ward 1)							
Contractors: Electrical Contractors (Bhazabhaza Electrification Ward 8)	0.00	0.00	504,761.10	17,185.93	0.00	521,947.00	521,947.00
Contractors: Electrical Contractors (Jerusalem Electrification Ward 22)	0.00	0.00	1,672,826.00	-49,291.00	0.00	1,623,535.00	1,623,535.00
Totals	25,141,608.22	26,950,000.00	22,177,917.47	3,336,286.56	- 12,693,055.00	11,257,259.00	25,514,204.00

Appendix M(ii): Capital Expenditure – Upgrade/Renewal Programme

This Appendix relates to all capital expenditure relating to upgrade/renewal programme, showing the actual of the prior year, the adjusted budget and actual expenditure in the current year.

Segment Description	Total Original Budget	Total Actual Spent	Remaining Budget	(-) Adjustment	(+) Adjustment	Total Adjusted Budget
Pedestrian Bridge Extension 3 Ward 6	999,996.00	1,019,495.53	0.47	0.00	19,500.00	1,019,496.00
Lonjani to Khumbuza Road	500,000.00	0.00	4,893.00	- 495,107.00	0.00	4,893.00
Nkangeni Vehicular Bridge Ward 25	3,999,996.00	7,844,789.70	0.30	0.00	3,844,794.00	7,844,790.00
Bomvini School Road	3,999,996.00	4,941,984.41	0.59	0.00	941,989.00	4,941,985.00
Nkanyezini Road	4,749,996.00	497,192.17	0.83	- 4,252,803.00	0.00	497,193.00

Segment Description	Total Original Budget	Total Actual Spent	Remaining Budget	(-) Adjustment	(+) Adjustment	Total Adjusted Budget
Mandla Mzelemu Road	6,000,004.00	10,906,231.92	0.08	0.00	4,906,228.00	10,906,232.00
Repairs to Nositha Pedestrian Bridge Ward 27	1,000,000.00	766,222.37	1.63	- 233,776.00	0.00	766,224.00
Mbayimbayi Main Road Upgrade Ward 21	999,996.00	917,888.67	9.33	- 82,098.00	0.00	917,898.00
Bandlana Skills Centre Renovations in Ward 30	999,996.00	0.00	0.00	- 999,996.00	0.00	0.00
Ingwemabala Sportsfield ward 7	100,000.00	0.00	0.00	- 100,000.00	0.00	0.00
Nqumbela Bridge ward 7	100,000.00	0.00	0.00	- 100,000.00	0.00	0.00

Segment Description	Total Original Budget	Total Actual Spent	Remaining Budget	(-) Adjustment	(+) Adjustment	Total Adjustment Budget
Mgodlwa Bridge ward 8	100,000.00	0.00	0.00	-100,000.00	0.00	0.00
Outdoor Gym Facilities	99,996.00	6,118.00	8.00	-93,870.00	0.00	6,126.00
Installation of New Solar Streetlights	1,000,000.00	869,033.28	-59,687.28	-190,654.00	0.00	809,346.00
Port Shepstone Park and Beautification Ward 18	800,004.00	400,000.00	4.00	-400,000.00	0.00	400,004.00
Corner House Ring Road	4,999,996.00	10,436,789.63	0.37	0.00	5,436,794.00	10,436,790.00
Bhayiya Vehicular Bridge	1,000,004.00	1,378,994.62	0.38	0.00	378,991.00	1,378,995.00

Segment Description	Total Original Budget	Total Actual Spent	Remaining Budget	(-) Adjustment	(+) Adjustment	Total Adjusted Budget
Nhlangeni Vehicular Bridge	3,999,996.00	699,561.76	434.24	-3,300,000	0.00	699,996.00
Outdoor Facilities: Tatane Sportfield	4,000,000.00	6,814,879.03	-19,146.03	0.00	2,795,733.00	6,795,733.00
ZG Hall Roof Repairs	2,000,004.00	0.00	0.00	-2,000,004.00	0.00	0.00
Community Park in Ward 5	50,000.00	0.00	0.00	-50,000.00	0.00	0.00
Margate Hall Reconstruction Ward 2	7,972,180.00	8,352,162.65	7,887.35	0.00	387,870.00	8,360,050.00
Installation of New Street Lights	1,500,000.00	1,925,247.15	0.85	0.00	425,248.00	1,925,248.00
Mazubane/Dikwe Pedestrian	300,000.00	246,236.96	0.04	-53,763.00	0.00	246,237.00

Segment Description	Total Original Budget	Total Actual Spent	Remaining Budget	(-) Adjustment	(+) Adjustment	Total Adjustment Budget
Bridge Ward 20						
Mazubane Pedestrian Bridge (Ward 21)	999,996.00	0.00	0.00	- 999,996.00	0.00	0.00
Mvuzane Road and Vehicular Bridge Ward 14	4,999,996.00	0.00	0.00	- 4,999,996.00	0.00	0.00
Roads Reseals	200,004.00	0.00	0.00	- 200,004.00	0.00	0.00
Road Re-gravelling and Concrete Section Ward 34	2,499,996.00	1,934,865.82	0.18	- 565,130.00	0.00	1,934,866.00
Chief Road in Ward 4	1,000,004.00	854,982.36	0.64	- 145,021.00	0.00	854,983.00
Mhlambunzimba Hall Renovation	500,004.00	0.00	0.00	- 500,004.00	0.00	0.00

Segment Description	Total Original Budget	Total Actual Spent	Remaining Budget	(-) Adjustment	(+) Adjustment	Total Adjusted Budget
Nkandla Bridge	1,000,004.00	895,235.8	0.20	- 104,768.00	0.00	895,236.00
Repairs to Mbhele Pedestrian Bridge	2,499,996.00	2,953,602.49	1.51	0.00	453,608.00	2,953,604.00
Rural Roads Urban Stormwater IUDG	9,999,996.00	10,717,967.28	112,194.72	0.00	830,166.00	10,830,162.00
TOTAL	74,972,156.00	75,379,481.60	46,605.40	- 20,420,921.00	20,420,921.00	75,426,807.00

INEP Grant

Segment Description	Total Original Budget	Total Actual Spent	Remaining Budget	(-) Adjustment	(+) Adjustment	Total Adjusted Budget
BHOBHOYI ELECTRIFIC	3,415,656.00	3,415,656.00	- 803,040.00	- 803,040.00	0.00	2,612,616.00

Segment Description	Total Original Budget	Total Actual Spent	Remaining Budget	(-) Adjustment	(+) Adjustment	Total Adjusted Budget
ATION - WARD 20						
Ncukeni Electrification Ward 1	858,264.00	718,061.60	0.41	-140,202.00	0.00	718,062.00
Bhazabhaza Electrification ward 8	1,453,032.00	931,084.80	0.25	-521,947.00	0.00	931,085.00
Jerusalem Electrification ward 22	4,291,296.00	2,667,748.00	0.08	-1,623,548.00	0.00	2,667,748.00
TOTALS	10,018,248.00	7,732,550.18	-803,039.26	3,088,737.00	0.00	6,929,511.00

**Neighbourhood Development Partnership
Grant (NDPG)**

Segment Description	Total Original Budget	Total Actual Spent	Remaining Budget	(-) Adjustment	(+) Adjustment	Total Adjustment Budget
Upgrade of Reynold Street	27,969,514.00	9,615,402.51	12,123,745.49	- 6,230,366.00	0.00	21,739,148.00
TOTALS	27,969,514.00	9,615,402.51	12,123,745.49	- 6,230,366.00	0.00	21,739,148.00

Appendix N: Capital Programme by Project current year

This Appendix relates to all capital projects in the current financial year, indicating the adjusted budget, actual in the current year and the variance between the two.

Integrated Urban Development Grant (IUDG)

Note: Small Town Rejuvenation Grant and INEP Grant were only approved as roll-over funds and have not yet been spent.

Municipal Funded Projects

Segment Description	Total Original Budget	Total Actual Spent	Remaining Budget	(-) Adjustment	(+) Adjustment	Total Adjustment Budget
Borehole Treasury Offices	400,000.00	0.00	0.00	-400,000.00	0.00	0.00
Construction of Municipal Asphalt Plant	800,004.00	0.00	300,004.00	-500,000.00	0.00	300,004.00
Hibberdene Market Stalls Internal Funded	1,400,000.00	2,863,157.08	536,842.92	0.00	2,000,000.00	3,400,000.00
MIb Offices in Ward 17	100,000.00	0.00	0.00	-100,000.00	0.00	0.00
Municipal Vehicle Pound in Ward 17	6,000,004.00	0.00	0.00	-6,000,004.00	0.00	0.00

Segment Description	Total Original Budget	Total Actual Spent	Remaining Budget	(-) Adjustment	(+) Adjustment	Total Adjustment Budget
Water Tanks	300,000.00	0.00	0.00	-300,000.00	0.00	0.00
Oatlands Landfill Site Cost	2,000,000.00	1,727,380.49	1,772,619.51	0.00	1,500,000.00	3,500,000.00
Renovations: Izingolweni Halls	500,004.00	430,832.97	69,171.03	0.00	0.00	500,004.00
Roads Urban Stormwater	2,000,004.00	3,016,121.41	1,983,882.59	0.00	3,000,000.00	5,000,004.00
Kwaxaba Main Road – Ward 27_Internal Funded	100,000.00	0.00	0.00	-100,000.00	0.00	0.00
Rural Road and Stormwater Rehabilitation (Internal Funded)	9,999,996.00	9,881,128.09	118,867.91	0.00	0.00	9,999,996.00
Rationalisation of Office	2,000,004.00	3,020,015.48	109,988.52	0.00	1,130,000.00	3,130,004.00

Segment Description	Total Original Budget	Total Actual Spent	Remaining Budget	(-) Adjustment	(+) Adjustment	Total Adjustment Budget
Space (Wellness Centre)						
Port Shepstone Civic Centre Upgrade in Ward 18	1,000,004.00	0.00	0.00	- 1,000,004.00	0.00	0.00
Staff Depot Ablution Facilities - Phase 3	3,400,000.00	3,157,302.13	2,012,697.87	0.00	1,770,000.00	5,170,000.00
Contractors: Electrical Contractors (Bhobhoyi Electrification Ward 20)	0.00	0.00	803,042	0.00	803,042.00	803,042.00
Contractors: Electrical Contractors (Ncukeni Electrification Ward 1)	0.00	125,080.00	15,122.00	0.00	140,202.00	140,202.00
	0.00	504,761.10	17,185.93	0.00	521,947.00	521,947.00

Segment Description	Total Original Budget	Total Actual Spent	Remaining Budget	(-) Adjustment	(+) Adjustment	Total Adjustment Budget
Contractors: Electrical Contractors (Bhazabhaza Electrification Ward 8)						
Contractors: Electrical Contractors (Jerusalem Electrification Ward 22)	0.00	1,672,826.00	-49,291.00	0.00	1,623,535.00	1,623,535.00
TOTAL	30,000,020.00	26,398,604.75	7,690,133.28	- 9,400,008.00	12,488,726.00	34,088,738.00

Appendix O: Capital Programme by Ward

Capital Project	Ward(s) affected	Work s completed (Yes/No/In Progress)	Date of completion	Number of completed units	Appointed Service Provider/Contractor	Work completed : Level Good/Satisfactory/Not satisfactory	If not satisfactory please explain steps taken to improve performance	Number of Jobs created for Local Community	Source of Funding	Original Budget	Adjustment Budget	Actual Value of work completed
CLUSTER 1												
Lonjani To Khumbuza Road Ward 30	30	Yes	June 2024	3.5km	Siyanda Investments	Satisfactory	N/A	12	IUDG	R8,180,792.26	R8,180,792.26	R8,180,792.26
Izingolweni Hall	33	No	N/A	1	Not yet appointed	N/A	Project on tender evaluation stage	0	IUDG	R 500 004	R 500 004	R 500 004

Capital Project	Ward(s) affected	Work s completed (Yes/ No/In Progress)	Date of completion	Number of completed units	Appointed Service Provider/Contractor	Work completed : Level Good/Satisfactory/ Not satisfactory	If not satisfactory please explain steps taken to improve performance	Number of Jobs created for Local Community	Source of Funding	Original Budget	Adjustment Budget	Actual Value of work completed
Renovations												
NKULU COMMUNITY HALL IN WARD 36	36	Yes	June 2024	1	Mchilobomvu Civils CC	Satisfactory	N/A	11	IUDG	R3,000,000.00	R140,692.00	R0.00
BOMVINI SCHOOL ROAD - WARD 35	35	Yes	March 2025	0	MADST OF	Satisfactory	N/A	12	IUDG	R 4 999 996	R 4 999 996	R5 323 433.95

Capital Project	Ward(s) affected	Work completed (Yes/No/In Progress)	Date of completion	Number of completed units	Appointed Service Provider/Contractor	Work completed : Level Good/Satisfactory/Not satisfactory	If not satisfactory please explain steps taken to improve performance	Number of Jobs created for Local Community	Source of Funding	Original Budget	Adjustment Budget	Actual Value of work completed
ROAD REGR AVELLING AND CONCRETE SECTIONS - WARD 34	34	Yes	March 2025	2km	Mbovu Dynamics	Satisfactory	N/A	5	IUDG	R 2 299 996	R 2 299 996	R 2 299 996
<u>CLUSTER 2</u>												
REPAIRS TO MBHELLE	29	Yes	June 2025	1	Sezandile Trading and	Satisfactory	N/A	9	IUDG	R 2 999 996	R 2 999 996	R 2 999 996

Capital Project	Ward(s) affected	Work s completed (Yes/ No/In Progress)	Date of completion	Number of completed units	Appointed Service Provider/Contractor	Work completed : Level Good/Satisfactory/ Not satisfactory	If not satisfactory please explain steps taken to improve performance	Number of Jobs created for Local Community	Source of Funding	Original Budget	Adjustment Budget	Actual Value of work completed
PEDESTRIAN BRIDGE - WARD 29					Projects							
NHLANJENI VEHICULAR BRIDGE - WARD 9	8	Progress	N/A	0	NSAYIZI CONSTRUCTION	Satisfactory	N/A	7	IUDG	R2,000,000	R 1 999 996	R 1 999 996
NGQUMBELO VEHIC	7	No	N/A	0	Contractor not yet	N/A	Project on detailed	0	IUDG	R0	R0	R0

Capital Project	Ward(s) affected	Work completed (Yes/No/In Progress)	Date of completion	Number of completed units	Appointed Service Provider/Contractor	Work completed : Level Good/Satisfactory/Not satisfactory	If not satisfactory please explain steps taken to improve performance	Number of Jobs created for Local Community	Source of Funding	Original Budget	Adjustment Budget	Actual Value of work completed
ULAR BRIDGE - WARD 7					appointed		design stage					
MGOD LWA BRIDGE - WARD 8	8	No	N/A	0	Contractor not yet appointed	N/A	Project on detailed design stage	0	IUDG	R 0	R0	R0
BHAZA BHAZA VILLAGE EXTENSION -	8	Progress	N/A	230 connections	B-Mfusi Electrical	Satisfactory	N/A	6	IUDG	R 1 807 310,29	R 1 807 310,29	R 1 807 310,29

Capital Project	Ward(s) affected	Work completed (Yes/No/In Progress)	Date of completion	Number of completed units	Appointed Service Provider/Contractor	Work completed : Level Good/Satisfactory/Not satisfactory	If not satisfactory please explain steps taken to improve performance	Number of Jobs created for Local Community	Source of Funding	Original Budget	Adjustment Budget	Actual Value of work completed
ELECTRIFICATION WARD 8												
<u>CLUSTER 3</u>												
PEDESTRIAN BRIDGE EXTENSION 3 WARD 6	6	Yes	N/A	1	Dummy and Thembu Trading and Project	Satisfactory	N/A	9	IUDG	R 1 799 996	R 1 799 996	R 1 799 996

Capital Project	Ward(s) affected	Work completed (Yes/No/In Progress)	Date of completion	Number of completed units	Appointed Service Provider/Contractor	Work completed : Level Good/Satisfactory/Not satisfactory	If not satisfactory please explain steps taken to improve performance	Number of Jobs created for Local Community	Source of Funding	Original Budget	Adjustment Budget	Actual Value of work completed
					s JV Chiliza							
NKANYEZINI ROAD - WARD 10	10	Progress	N/A	1	Syanda Sheppy Jv	Satisfactory	N/A	7	IUDG	R 2 059 996	R 2 059 996	R 2 059 996
MANDLA MZELE MU ROAD - WARD 11	11	Progress	N/A	2km	Gramma Solutions	Satisfactory	N/A	10	IUDG	R 9 250 004	R 9 250 004	R 9 250 004
RECONSTRUCTION	2	Progress	N/A	1	Durosha	Satisfactory	N/A	9	IUDG	R 7 861 042	R 7 861 042	R 7 861 042

Capital Project	Ward(s) affected	Work completed (Yes/No/In Progress)	Date of completion	Number of completed units	Appointed Service Provider/Contractor	Work completed : Level Good/Satisfactory/Not satisfactory	If not satisfactory please explain steps taken to improve performance	Number of Jobs created for Local Community	Source of Funding	Original Budget	Adjustment Budget	Actual Value of work completed
OF MARGATE HALL - WARD 2					Investments							
OUTLANDS LANDFILL SITE (CELL 4C) PHASE 2&3	6	Yes	June-24	1	BVi Consulting Engineers	Satisfactory	N/A	8	Internal Funds	R 3 500 000	R 3 500 000	R0

Capital Project	Ward(s) affected	Work completed (Yes/No/In Progress)	Date of completion	Number of completed units	Appointed Service Provider/Contractor	Work completed : Level Good/Satisfactory/Not satisfactory	If not satisfactory please explain steps taken to improve performance	Number of Jobs created for Local Community	Source of Funding	Original Budget	Adjustment Budget	Actual Value of work completed
NCUKE NI ELECTRIFICATION - WARD 1	1	Yes	June 24	58 connections	D12 Trading and Projects	Satisfactory	N/A	5	INEP	R 858 261	R 858 261	R 858 261
<u>CLUSTER 4</u>												
CORNER HOUSE RING ROAD - WARD 27	27	Progress	N/A	1.2km	Aphileh Nandi Trading	Satisfactory	N/A	7	IUDG	R 7 999 992	R 7 999 992	R 7 999 992

Capital Project	Ward(s) affected	Work s completed (Yes/ No/In Progress)	Date of completion	Number of completed units	Appointed Service Provider/Contractor	Work completed : Level Good/Satisfactory/ Not satisfactory	If not satisfactory please explain steps taken to improve performance	Number of Jobs created for Local Community	Source of Funding	Original Budget	Adjustment Budget	Actual Value of work completed
NKULU COMMUNITY HALL IN WARD 25	25	Yes	June 2024	0	Manyobo Group JV Lungaphi (PTY) LTD	Satisfactory	N/A	10	IUDG	R1,000,000.00	R0	R0.00
NKAN GENI VEHICULAR BRIDGE (Ward 25)	25	Progress	N/A	1	Appileh Nandi Trading	Satisfactory	N/A	14	IUDG	R 7 899 996	R 7 899 996	R 7 899 996
ZG HALL	28	Progress	N/A	1	Vezokungcono	Satisfactory	N/A	5	IUDG	R 1500000	R 0.00	R0.00

Capital Project	Ward(s) affected	Work completed (Yes/No/In Progress)	Date of completion	Number of completed units	Appointed Service Provider/Contractor	Work completed : Level Good/Satisfactory/Not satisfactory	If not satisfactory please explain steps taken to improve performance	Number of Jobs created for Local Community	Source of Funding	Original Budget	Adjustment Budget	Actual Value of work completed
ROOF REPAIRS - WARD 28					Jv ZHJ Holdings							
REPAIRS TO NOSITHA PEDESTRIAN BRIDGE- WARD 27	27	No	N/A	1	Project on Tender evaluation stage	N/A	N/A	0	IUDG	R1,500,000.00	R 766 223	R766 223
<u>CLUSTER 5</u>												

Capital Project	Ward(s) affected	Work completed (Yes/No/In Progress)	Date of completion	Number of completed units	Appointed Service Provider/Contractor	Work completed : Level Good/Satisfactory/Not satisfactory	If not satisfactory please explain steps taken to improve performance	Number of Jobs created for Local Community	Source of Funding	Original Budget	Adjustment Budget	Actual Value of work completed
TATANE SPORTSFIELD - WARD 21	21	Progress	N/A	0	Santo Civils and Transport	Satisfactory	N/A	8	IUDG	R 6 750 004	R 6 750 004	R 6 750 004
MAZUBANE VEHICULAR BRIDGE WARD 21	21	Progress	N/A	0	Mthwana Trading	Satisfactory	N/A	5	IUDG	R2,000,000.00	R0.00	R0.00
MBAYI MBAYI	21	No	N/A	0	Detailed	N/A	N/A	0	IUDG	R 1000 000.00	R 1000 000.00	R 1000 000.00

Capital Project	Ward(s) affected	Work completed (Yes/No/In Progress)	Date of completion	Number of completed units	Appointed Service Provider/Contractor	Work completed : Level Good/Satisfactory/Not satisfactory	If not satisfactory please explain steps taken to improve performance	Number of Jobs created for Local Community	Source of Funding	Original Budget	Adjustment Budget	Actual Value of work completed
MAIN ROAD IN WARD 21					design stage underway							
JERUSALEM VILLAGE ELECTRIFICATION - WARD 22	22	Yes	June 2025	1	Our Kingdom Engineering	Satisfactory	N/A	6	INEP	R2,000,000.00	R3,635,922.00	R 3,487,473.25
<u>CLUSTER 6</u>												

Capital Project	Ward(s) affected	Work completed (Yes/No/In Progress)	Date of completion	Number of completed units	Appointed Service Provider/Contractor	Work completed : Level Good/Satisfactory/Not satisfactory	If not satisfactory please explain steps taken to improve performance	Number of Jobs created for Local Community	Source of Funding	Original Budget	Adjustment Budget	Actual Value of work completed
MAZUBANE/DIKWE PEDESTRIAN BRIDGE WARD 20	20	Yes	June 2024	1	Tributary of Success Jv Alunga	Satisfactory	N/A	11	IUDG	R4 001 005.25	R4 001 005.25	R4 001 005.25
REHABILITATION OF MAIN HARDING ROAD	17	Yes	May 2024	2.2km	Bright Idea Projects t/a Margate Construction	Satisfactory	N/A	23	NDPG	R10,000 ,000.00	R25,955 ,404.00	R16,280,836.35

Capital Project	Ward(s) affected	Work completed (Yes/No/In Progress)	Date of completion	Number of completed units	Appointed Service Provider/Contractor	Work completed : Level Good/Satisfactory/Not satisfactory	If not satisfactory please explain steps taken to improve performance	Number of Jobs created for Local Community	Source of Funding	Original Budget	Adjustment Budget	Actual Value of work completed
UPGRADING OF REYNOLD STREET - WARD 18	18	Progress	N/A	0	Appileh Nandi Engineering	Satisfactory	N/A	9	NDPG	R 34 782 610	R 34 782 610	R 6 700 000
CHIEF ROAD IN WARD 4	4	No	Aug-23	1	Project on tender stage, contract or not yet	N/A	N/A	0	IUDG	R1 000 004	R1 000 004	R1 000 004

Capital Project	Ward(s) affected	Work completed (Yes/No/In Progress)	Date of completion	Number of completed units	Appointed Service Provider/Contractor	Work completed : Level Good/Satisfactory/Not satisfactory	If not satisfactory please explain steps taken to improve performance	Number of Jobs created for Local Community	Source of Funding	Original Budget	Adjustment Budget	Actual Value of work completed
					appointed							
BHOYI BHOYI ELECTRIFICATION - WARD 20	20	Yes	June-25	1	Mbongeni Amahle Trading Projects	Satisfactory	N/A	8	INEP	R 3 415 652	R 3 415 652	R 3 415 652
PORT SHEPSTONE PARK AND BEAUTIFICATION	18	No	N/A	0	Project on detailed design stage	N/A	N/A	0	Internal Funds	R 1000 000	R 1000 000	R 1000 000

Capital Project	Ward(s) affected	Work s completed (Yes/ No/In Progress)	Date of completion	Number of completed units	Appointed Service Provider/Contractor	Work completed : Level Good/Satisfactory/ Not satisfactory	If not satisfactory please explain steps taken to improve performance	Number of Jobs created for Local Community	Source of Funding	Original Budget	Adjustment Budget	Actual Value of work completed
WARD 18												
<u>CLUSTER 7</u>												
MVUZANE ROAD AND VEHICULAR BRIDGE WARD 15	15	On hold	N/A	0	Appileh Nandi Trading	Satisfactory	Project stopped due to business forums	11	IUDG	R4,000,000	R0	R0
NKANDLA BRIDG	14	No	N/A	0	Project of detailed	N/a	N/A	0	IUDG	R1000 000.00	R1000 000.00	R1000 000.00

Capital Project	Ward(s) affected	Work completed (Yes/No/In Progress)	Date of completion	Number of completed units	Appointed Service Provider/Contractor	Work completed : Level Good/Satisfactory/Not satisfactory	If not satisfactory please explain steps taken to improve performance	Number of Jobs created for Local Community	Source of Funding	Original Budget	Adjustment Budget	Actual Value of work completed
E - WARD 14					design stage							
HIBBERDENE MARKET STALLS IN WARD 13	13	Yes	March 2025	1	Highpoint Trading 367 Cc	Satisfactory	N/A	8	Market Stalls Grant	R 3 873 105.76	R 3 873 105.76	R 3 873 105.76
<u>MUNICIPAL WIDE PROJECTS</u>												

Capital Project	Ward(s) affected	Work s completed (Yes/ No/In Progress)	Date of completion	Number of completed units	Appointed Service Provider/Contractor	Work completed : Level Good/Satisfactory/ Not satisfactory	If not satisfactory please explain steps taken to improve performance	Number of Jobs created for Local Community	Source of Funding	Original Budget	Adjustment Budget	Actual Value of work completed
STAFF DEPOT ABLUTION FACILITIES	18	No	N/A	1	Vikinduku PM Jv Ngethes Trading	Good	N/A	7	Internal Funds	R 5 170 000	R 5 170 000	R 3 200 000
URBAN ROAD AND STORMWATER REHABILITATION	Various	No	Jun -25	200m	Different Service Providers	Satisfactory	N/A	11	Internal Funds	R 5 000 004	R 5 000 004	R 3 500 000 .00
RURAL ROAD	Various	Yes	Jun -24	2.8km	Different	Satisfactory	N/A	70	IUDG	R10,000 ,000.00	R10 000 000.00	R10 000 000.00

Capital Project	Ward(s) affected	Work s completed (Yes/No/In Progress)	Date of completion	Number of completed units	Appointed Service Provider/Contractor	Work completed : Level Good/Satisfactory/Not satisfactory	If not satisfactory please explain steps taken to improve performance	Number of Jobs created for Local Community	Source of Funding	Original Budget	Adjustment Budget	Actual Value of work completed
AND STORMWATER REHABILITATION (IUDG)					Service Providers							
RURAL ROAD AND STORMWATER REHABILITATION	Various	Yes	Jun -24	2.8km	Different Service Providers	Satisfactory	N/A	70	Internal	R10,000,000.00	R10 000 000.00	R10 000 000.00

Capital Project	Ward(s) affected	Work completed (Yes/No/In Progress)	Date of completion	Number of completed units	Appointed Service Provider/Contractor	Work completed : Level Good/Satisfactory/Not satisfactory	If not satisfactory please explain steps taken to improve performance	Number of Jobs created for Local Community	Source of Funding	Original Budget	Adjustment Budget	Actual Value of work completed
INSTALLATION OF NEW SOLAR STREET LIGHTS	Various	Yes	Jun -23	12	Different Service Providers	Satisfactory	N/A	6	IUDG	R1 000 000.00	R1000,000.00	R 1000 000.00
INSTALLATION OF NEW STREET LIGHTS	Various	Yes	N/A	30	Our Kingdom Engineering	Good	N/A	8	IUDG	R6,000,000.00	R6,000,000.00	R5,215,189.39

Capital Project	Ward(s) affected	Work completed (Yes/No/In Progress)	Date of completion	Number of completed units	Appointed Service Provider/Contractor	Work completed : Level Good/Satisfactory/Not satisfactory	If not satisfactory please explain steps taken to improve performance	Number of Jobs created for Local Community	Source of Funding	Original Budget	Adjustment Budget	Actual Value of work completed
RATIONALISATION OF OFFICE SPACE WELLNESS CENTRE	3	Yes	Jun-23	1	Mbandu Trading	Satisfactory	N/A	5	IUDG	R 3 130 004	R 3 130 004	R 3 130 004

Appendix P: Service Connection Backlogs at schools and clinics

There is currently no updated report on the outcomes for 2024-2025 available for inclusion in the annual report.

Appendix Q: Service backlogs experienced by community

There is currently no updated report on the outcomes for 2024-2025 available for inclusion in the annual report.

Appendix R: Loans & grants granted by the municipality.

The municipality has a loan with DBSA for a period of 10 years started in 2020 and ending in 2030.

The municipality has grant in aid programmes where it provides assistance to NGOs and individuals requiring assistance, there is an application process, and a committee awards the grants after assessing the applications.

Project Description	Total Budget	Total Actual Expenditure
Operational:Typical Work Streams:Community Development:Gender Development:WOMEN EMPOWERMENT	R 300 000.00	R 264 000.00
Operational:Typical Work Streams:Functions and Events:Special Events and Functions:LED Handover Events	R 50 000.00	R 43 722.50
Operational:Typical Work Streams:Indigent and Cultural Management and Services:DEVELOPMENT OF CULTURAL SKILLS	R 526 000.00	R 525 277.32
Operational:Typical Work Streams:Sport Development:Municipal Games:Cluster Based Youth Activities	R 800 000.00	R 799 793.21
Operational:Typical Work Streams:Ward Committees:Ward Initiatives:Uvukile Gospel Concert	R 250 000.00	R 250 000.00
Operational:Typical Work Streams:Community Development:Elderly:SENIOR CITIZEN	R 50 004.00	R 36 850.00
Operational:Typical Work Streams:Community Development:Community Development Initiatives:Development of Cultural Skills	R 30 000.00	R 26 220.00
Operational:Typical Work Streams:Health and Welfare:Municipal Health Service:Medical Waste Removal	R 100 000.00	R 33 000.00
Operational:Typical Work Streams:Communication and Public Participation:Public Participation Meeting:Public Participation	R 1 692 146.00	R 1 692 140.21
Operational:Typical Work Streams:Indigent and Cultural Management and Services:DEVELOPMENT OF CULTURAL SKILLS	R 310 000.00	R 217 000.00
Operational:Typical Work Streams:Community Development:Youth Projects:Youth Development:Career Exposure	R 50 004.00	R 38 158.00
Operational:Typical Work Streams:Community Development:Youth Projects:Youth Development:Matric Excellence Awards	R 176 847.00	R 176 846.66
Operational:Typical Work Streams:Indigent and Cultural Management and Services:DEVELOPMENT OF CULTURAL SKILLS	R 100 000.00	R 55 107.41
Operational:Typical Work Streams:Community Development:Youth Projects:Youth Development:YOUTH SUMMIT	R 497 329.00	R 497 329.00
Operational:Typical Work Streams:Community Development:Youth Projects:Youth Development:Youth Training	R 200 000.00	R 200 000.00
Operational:Typical Work Streams:Community Development:Gender Development:Gender Empowerment	R 497 930.00	R 482 929.48
Operational:Typical Work Streams:Community Development:Community Initiatives:Sports Day	R 1 976 306.00	R 1 976 296.07
Operational:Typical Work Streams:Community Development:Youth Projects:Youth Development:Youth Month Activities	R 853 703.00	R 851 750.00
Operational:Typical Work Streams:Community Development:Youth Projects:Youth Development:Career Exposure	R 110 000.00	R 110 000.00
Operational:Typical Work Streams:Ward Committees:Ward Initiatives:Welcoming Roadblock	R 20 260.00	R 20 260.00
Operational:Typical Work Streams:Ward Committees:Ward Initiatives:Special Functions	R 4 160 004.00	R 4 111 555.69
Operational:Typical Work Streams:Ward Committees:Ward Initiatives:Shobashobane Commemoration	R 408 823.00	R 408 822.22
Operational:Typical Work Streams:Community Development:Community Development Initiatives:Development of Cultural Skills	R 304 000.00	R 253 025.00
Operational:Typical Work Streams:Community Development:Youth Projects:Youth Development:YOUTH EMPOWERMENT	R 350 004.00	R 348 535.27
Operational:Typical Work Streams:Community Development:Entrepreneurial Support System:Poverty Alleviation Projects	R 450 000.00	R 449 590.17
Operational:Typical Work Streams:Community Development:Community Development Initiatives:Development of Cultural Skills	R 40 000.00	R 26 650.91
Operational:Typical Work Streams:Community Development:Disability:DISABILITY EMPOWERMENT	R 98 439.00	R 98 439.00
Operational:Typical Work Streams:Community Development:Community Initiatives:INKUNDLA FESTIVAL	R 250 000.00	R 10 000.00
Operational:Typical Work Streams:Property Rates Act Implementation:Valuation:Valuations Appeals Board	R 50 000.00	R 21 821.33
Operational:Typical Work Streams:Property Rates Act Implementation:Valuation:Valuations Appeals Board	R 50 000.00	R 24 065.21
Operational:Typical Work Streams:Community Development:Child Programmes:CHILDRENS RIGHT	R 250 680.00	R 250 680.00
Operational:Typical Work Streams:Community Development:Youth Projects:Youth Development:Youth Training	R 196 000.00	R 196 000.00
Operational:Typical Work Streams:Ward Committees:Ward Initiatives:Back To School-Uniforms	R 395 024.00	R 395 023.72
Operational:Typical Work Streams:Community Development:Entrepreneurial Support System:Business Innovation Supp Programme	R 350 000.00	R 350 000.00
Operational:Typical Work Streams:Community Development:Entrepreneurial Support System:Poverty Alleviation Projects	R 650 000.00	R 815 511.54
Operational:Typical Work Streams:Local Economic Development:Project Implementation:Film Development Programme	R 14 650.00	R 14 650.00
Operational:Typical Work Streams:Community Development:Entrepreneurial Support System:Business Retention	R 1 082 109.00	R 1 081 824.00
Operational:Typical Work Streams:Community Development:Entrepreneurial Support System:Informal Traders Development	R 396 226.00	R 392 475.65
Operational:Typical Work Streams:Community Development:Entrepreneurial Support System:SME Development	R 6 692 940.00	R 6 847 875.08
Operational:Typical Work Streams:Community Development:Entrepreneurial Support System:Investment Promotions	R 150 000.00	R 22 096.64
Operational:Typical Work Streams:Tourism:Tourism Development:New Entity Ugu Tourism and Development Agency	R 3 431 129.00	R 3 422 844.00
Operational:Typical Work Streams:Community Development:Community Development Initiatives:Tuition Assistance	R 236 305.00	R 236 305.00
Operational:Typical Work Streams:Functions and Events:Recreational Functions:Umkhaya homecoming music festival	R 250 000.00	R 250 000.00
Operational:Typical Work Streams:Music; Arts and Culture:Jazz Festival:UGU Jazz Festival	R 734 783.00	R 734 782.61
Operational:Typical Work Streams:Tourism:Tourism Development:RNM Marathon	R 150 000.00	R 150 000.00
Operational:Typical Work Streams:Tourism:Tourism Development:Chilla Nathi Festival	R 250 000.00	R 250 000.00
Operational:Typical Work Streams:Functions and Events:Recreational Functions:Maskandi Festival	R 250 000.00	R 250 000.00

Appendix S: Section 71 reports not made in due time.

The municipality submitted all section 71 returns within legislated time frames.

Appendix T: National and Provincial outcomes on Local government

There is currently no updated report on the outcomes for 2024-2025 available for inclusion in the annual report.

Volume II Annual Financial Statement Annexure B

**KZN216 Ray Nkonyeni Municipality
(Registration number KZN216)
Trading as Ray Nkonyeni Municipality
Annual Financial Statements
for the year ended 30 June 2025**

KZN216 Ray Nkonyeni Municipality

(Registration number KZN216)

Trading as Ray Nkonyeni

Municipality

Annual Financial Statements for the year ended 30
June 2025

General Information

Legal form of entity	Municipality in terms of section 1 of the Local Government: Municipal Structures Act (Act 117 of 1998)
Nature of business and principal activities	Local Government
Mayoral committee	TROIKA
Mayor	Cllr PZ Mzindle
Councillors	Cllr GS Shange - Deputy Mayor Cllr TT Hlophe - Chief Whip Cllr PR Gumbi - Speaker
Grading of local authority	4
Accounting Officer	Mr. Khetha Zulu
Chief Finance Officer (CFO)	Mr. Sandiso Thutshini
Registered office	10 Connor Street Port Shepstone 4240
Business address	10 Connor Street Port Shepstone 4240
Postal address	PO Box 5 Port Shepstone 4240
Bankers	First National Bank Standard Bank, Nedbank, Investec
Auditors	Auditor General of South Africa Registered Auditors

KZN216 Ray Nkonyeni Municipality

(Registration number KZN216)

Trading as Ray Nkonyeni
Municipality

Annual Financial Statements for the year ended 30
June 2025

Preparer

The annual financial statements were internally
compiled by: Sandiso Thutshini
Chief Financial Officer

KZN216 Ray Nkonyeni Municipality

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Annual Financial Statements for the year ended 30
June 2025

Index

The reports and statements set out below comprise the annual financial statements presented to the council:

Page

Abbreviations used:

COID	Compensation for Occupational Injuries and Diseases
DBSA	Development Bank of South Africa
GRAP	Generally Recognised Accounting Practice
HDF	Housing Development Fund
IAS	International Accounting Standards
IPSAS	International Public Sector Accounting Standards
MFMA	Municipal Finance Management Act
MSCOA	Municipal Standard Chart of Accounts

KZN216 Ray Nkonyeni Municipality

(Registration number KZN216)

Trading as Ray Nkonyeni

Municipality

Annual Financial Statements for the year ended 30
June 2025

Accounting Officer's Responsibilities and Approval

The accounting officer is required by the MFMA, to maintain adequate accounting records and is responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is the responsibility of the accounting officer to ensure that the annual financial statements fairly present the state of affairs of the municipality as at the end of the financial year and the results of its operations and cash flows for the period then ended. The external auditors are engaged to express an independent opinion on the annual financial statements and was given unrestricted access to all financial records and related data.

The annual financial statements have been prepared in accordance with Standards of Generally Recognised Accounting Practice (GRAP) including any interpretations, guidelines and directives issued by the Accounting Standards Board.

The annual financial statements are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The accounting officer acknowledges that he is ultimately responsible for the system of internal financial control established by the municipality and place considerable importance on maintaining a strong control environment. To enable the accounting officer to meet these responsibilities, the accounting officer sets standards for internal control aimed at reducing the risk of error or deficit in a cost-effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the municipality, and all employees are required to maintain the highest ethical standards in ensuring the municipality's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the municipality is on identifying, assessing, managing and monitoring all known forms of risk across the municipality. While operating risk cannot be fully eliminated, the municipality endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The accounting officer is of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or deficit.

The accounting officer has reviewed the municipality's cash flow forecast for the year ending 30 June 2026 and, in the light of this review and the current financial position, he is satisfied that the municipality has or has access to adequate resources to continue in operational existence for the foreseeable future.

The municipality is wholly dependent on the municipal revenue including equitable share for continued funding of the operations.

KZN216 Ray Nkonyeni Municipality

(Registration number KZN216)

Trading as Ray Nkonyeni

Municipality

Annual Financial Statements for the year ended 30
June 2025

The annual financial statements are prepared on the basis that the municipality is a going concern and that the municipality has neither the intention nor the need to liquidate or curtail materially the scale of the municipality.

I certify that the salaries, allowances and benefits of Councillors, if any, as disclosed in note 32 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 Officers Bearers Act and the Minister of Provincial and Local Government's determination in accordance with this Act.

The external auditors are responsible for auditing and reporting on the municipality's annual financial statements.

Mr. KJ Zulu
Accounting Officer

KZN216 Ray Nkonyeni Municipality

(Registration number KZN216)

Trading as Ray Nkonyeni

Municipality

Annual Financial Statements for the year ended 30 June 2025

Accounting Officer's Report

The accounting officer submits his report for the year ended 30 June 2025.

1. Incorporation

The municipality was incorporated on 10 August 2016 as an amalgamation of two municipalities (Former Hibiscus Coast and Ezingoleni Municipality) and obtained its certificate to commence business on the same day.

2. Review of activities

Main business and operations

The municipality is engaged in local government and operates in South Africa. The municipality is charged with the responsibility of providing services such as refuse management, electricity, law enforcement, etc to communities in a sustainable manner to promote social and economic development, and to promote a safe and healthy environment. The operating results and state of affairs of the municipality are fully set out in the attached annual financial statements and do not in our opinion require any further comment.

3. Going concern

We draw attention to the fact that on 30 June 2025, the municipality had an accumulated surplus of 1,918,058,246 and that the municipality's total assets exceed its liabilities by 1,918,058,246.

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business. The ability of the municipality to continue as a going concern is dependent on a number of factors. The most significant of these is that the accounting officer continue to procure funding for the ongoing operations for the municipality.

4. Subsequent events

The following events have been identified and disclosed in line with GRAP 14- Events After the Reporting Date

Adjusting events

The council resolved on 24 June 2025 to dispose obsolete assets during the 2025 financial year. The actual sale took place after year end but before the issue of financial statements.

KZN216 Ray Nkonyeni Municipality

(Registration number KZN216)

Trading as Ray Nkonyeni
Municipality

Annual Financial Statements for the year ended 30
June 2025

Non-Adjusting events

On 21 August 2025, a Ray Nkonyeni Municipality compactor with registration NPS 36910 burnt down. The cause of the incident is still being investigated. Carrying value of the assets as of 30 June 2025 was R7485.16

5. Accounting Officer

The accounting officer of the municipality during the year and to the date of this report

is as follows: Name

Nationality

Mr KJ Zulu

South African

6. Auditors

Auditor General of South Africa will continue in office for the next financial period.

Mr. KJ Zulu
Accounting Officer

KZN216 Ray Nkonyeni Municipality

(Registration number KZN216)

Trading as Ray Nkonyeni

Municipality

Annual Financial Statements for the year ended 30 June 2025

Statement of Financial Position as of 30 June 2025

Figures in Rand	Note(s)	2025	2024 Restated*
Assets			
Current Assets			
Inventories	7	5,550,275	10,621,268
Receivables from exchange transactions	8&10	42,866,989	48,616,249
Receivables from non-exchange transactions	9&10	72,720,889	63,916,334
VAT receivable	11	35,369,128	58,990,915
Cash and cash equivalents	12	47,001,092	66,405,168
		203,508,373	248,549,934
Non-Current Assets			
Investment property	3	430,436,383	395,052,475
Property, plant and equipment	4	1,961,903,322	1,903,001,090
Intangible assets	5	215,186	343,532
Heritage assets	6	2,459,698	2,347,598
		2,395,014,589	2,300,744,695
Total Assets		2,598,522,962	2,549,294,629
Liabilities			
Current Liabilities			
Long-term loan	13	2,181,996	1,953,818
Finance lease obligation	14	24,347,626	29,839,169
Payables from exchange transactions	15	249,380,164	156,268,653
VAT payable	54	3,376,385	2,686,236
Consumer deposits	16	40,652,248	38,329,830
Employee benefit obligation	17	5,205,022	5,794,639
Unspent conditional grants and receipts	18	17,535,412	814,212
Provisions	19	46,978,221	40,709,397
Housing development fund	66	33,242,603	39,593,078
		422,899,677	315,989,032
Non-Current Liabilities			
Long-term loan	13	12,874,211	15,056,207
Finance lease obligation	14	76,982,447	66,921,479
Employee benefit obligation	17	120,906,757	114,936,457
Provisions	19	46,801,640	46,476,024
		257,565,055	243,390,167
Total Liabilities		680,464,732	559,379,199
Net Assets		1,918,058,230	1,989,915,430
Accumulated surplus		1,918,058,246	1,989,915,430
Total Net Assets		1,918,058,246	1,989,915,430

* See Note 53 C 58

KZN216 Ray Nkonyeni Municipality

(Registration number KZN216)

Trading as Ray Nkonyeni

Municipality

Annual Financial Statements for the year ended 30 June 2025

Statement of Financial Performance

Figures in Rand	Note(s)	2025	2024 Restated*
Revenue			
Revenue from exchange transactions			
Sale of goods		66,632	61,642
Service charges	20	258,644,413	250,436,969
Rendering of services		7,494,469	9,782,887
Construction contracts	53	6,836,522	34,923,190
Rental of facilities and equipment	21	4,187,515	4,145,746
Interest from exchange transactions		10,415,314	8,154,821
Agency services	22	17,446,683	20,280,679
Licences and permits	23	511,459	597,570
Recoveries	41	1,581,630	2,020,035
Operational Revenue	41	1,164,281	1,222,723
Interest - investment	24	11,067,518	11,613,966
Fair value adjustments	45	29,164,565	38,736,597
Total revenue from exchange transactions		348,581,001	381,976,825
Revenue from non-exchange transactions			
Taxation revenue			
Property rates	25	532,725,192	507,016,893
Licences and Permits	26	837,065	729,302
Interest from non-exchange transactions	27	36,019,898	31,858,238
Transfer revenue			
Government grants & subsidies	28	452,220,380	512,480,535
Public contributions and donations	29	7,802,825	117,324
Fines, Penalties and Forfeits	30	43,560,274	26,104,541
Total revenue from non-exchange transactions		1,073,165,634	1,078,306,833
Total revenue		1,421,746,635	1,460,283,658
Expenditure			
Employee related costs	31	(589,974,895)	(480,605,577)
Remuneration of councillors	32	(36,957,670)	(40,274,550)
Depreciation and amortisation	33	(91,575,350)	(88,772,776)
Impairments	34	(118,882,501)	(118,479,100)
Finance costs	35	(31,134,531)	(23,734,002)
Lease rentals on operating lease	36	(5,173,850)	(13,235,261)
Bad debts written off		(13,768,277)	(11,306,773)
Bulk purchases	37	(177,510,341)	(142,879,822)
Contracted services	38	(240,598,548)	(218,441,993)
Transfers and Subsidies	39	(18,975,548)	(18,394,060)
Loss on disposal of assets		(2,586,495)	(2,766,016)
Inventory consumed		(13,533,782)	(12,884,681)
General Expenses	40	(152,929,433)	(181,326,133)
Total expenditure		(1,493,601,221)	(1,353,100,744)
(Deficit) surplus for the year		(71,854,586)	
1 0 7 , 1 8 2 , 9 1 4			

* See Note 53 C 58

KZN216 Ray Nkonyeni Municipality

(Registration number KZN216)

Trading as Ray Nkonyeni

Municipality

Annual Financial Statements for the year ended 30

June 2025

Statement of Changes in Net Assets

Figures in Rand

	Accumulated surplus/deficit	Total net assets
Opening balance as previously reported	2,204,794,857	2,204,794,857
Adjustments		
Correction of errors 58	(322,062,341)	(322,062,341)
Balance at 01 July 2023 as restated*	1,882,732,516	1,882,732,516
Changes in net assets		
Surplus for the year	107,182,914	107,182,914
Total changes	107,182,914	107,182,914
Restated* Balance at 01 July 2024	1,989,912,832	1,989,912,832
Changes in net assets		
Surplus/(Deficit) for the year	(71,854,586)	(71,854,586)
Total changes	(71,854,586)	(71,854,586)
Balance at 30 June 2025	1,918,058,246	1,918,058,246

Note(s)

* See Note 53 C 58

KZN216 Ray Nkonyeni Municipality

(Registration number KZN216)

Trading as Ray Nkonyeni

Municipality

Annual Financial Statements for the year ended 30 June 2025

Cash Flow Statement

Figures in Rand	Note(s)	2025	2024 Restated*
Cash flows from operating activities			
Receipts			
Cash received from non-exchange transactions		530,573,312	427,078,512
Cash received from exchange transactions		223,104,591	374,087,954
Transfers and subsidies received		468,941,580	505,138,819
Interest from investments		11,067,518	11,613,966
Interest from exchange transactions		2,592,476	1,981,303
Interest from non-exchange transactions		10,771,120	11,921,703
Other cash receipts		6,934,162	1,222,724
Sars VAT Refund		81,184,559	61,031,982
		1,335,169,318	1,394,076,963
Payments			
Employee costs		(567,793,323)	(500,139,903)
Suppliers		(562,896,078)	(687,553,583)
Finance costs		(1,788,927)	(1,938,085)
Transfers and Subsidies		(18,975,548)	(18,394,060)
Sars VAT Payment		(1,338,377)	-
		(1,152,792,253)	(1,208,025,631)
Net cash flows from operating activities	43	182,377,065	186,051,332
Cash flows from investing activities			
Purchase of property, plant and equipment	4	(141,708,267)	(195,575,333)
Proceeds from sale of property, plant and equipment	4	-	1,403,759
Purchase of investment property	3	(377,932)	(4,974,225)
Purchase of heritage assets	6	(50,000)	(98,575)
Net cash flows from investing activities		(142,136,199)	(199,244,374)
Cash flows from financing activities			
Movement of long-term loan		(1,953,818)	6,177,678
Finance lease payments		(57,691,124)	(42,200,474)
Net cash flows from financing activities		(59,644,942)	(36,022,796)
Net increase/decrease) in cash and cash equivalents		(19,404,076)	(49,215,838)
Cash and cash equivalents at the beginning of the year		66,405,168	115,621,006
Cash and cash equivalents at the end of the year	12	47,001,092	66,405,168

The accounting policies on pages 11 to 41 and the notes on pages 42 to 101 form an integral part of the annual financial statements.

* See Note 53 C 58

KZN216 Ray Nkonyeni Municipality

(Registration number KZN216)

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Annual Financial Statements for the year ended 30 June 2025

Statement of Comparison of Budget and Actual Amounts

Budget on Accrual Basis	Approved budget	Adjustments amounts	Final Budget	Actual on comparable basis	Difference between final budget and actual	Reference

Figures in Rand

Statement of Financial Performance

Revenue

Revenue from exchange transactions

Sale of goods	1,429,390	(1,379,072)	50,318	66,632	16,314	Note67
Service charges	278,556,171	(53,636)	278,502,535	258,644,413	(19,858,122)	
Rendering services	8,441,344	(320,910)	8,120,434	7,494,469	(625,965)	
Construction contracts	10,018,264	(2,156,264)	7,862,000	6,836,522	(1,025,478)	Note67
Rental of facilities and equipment	5,202,826	43,384	5,246,210	4,187,515	(1,058,695)	Note67
Interest received (trading)	8,201,719	1,754,288	9,956,007	10,415,314	459,307	
Agency services	20,652,506	2,003,578	22,656,084	17,446,683	(5,209,401)	
Licences and permits	736,947	(264,701)	472,246	511,459	39,213	
Recoveries	-	-	-	1,581,630	1,581,630	Note67
Operational Revenue	1,090,616	(144,026)	946,590	1,164,281	217,691	Note67
Interest received - investment	11,915,841	1,304,543	13,220,384	11,067,518	(2,152,866)	Note67
Total revenue from exchange	346,245,62	787,184	347,032,808	319,416,436	(27,616,372)	

4 transactions

Revenue from non-exchange transactions

Taxation revenue

Property rates	532,892,555	(42,169)	532,850,386	532,725,192	(125,194)	
Licences and Permits (Non-5 exchange)	921,02	(4,588)	916,437	837,065	(79,372)	Note67
Interest, Dividends and Rent on Land	32,614,836	2,033,626	34,648,462	36,019,898	1,371,436	
Total revenue from non-	1,056,059,24	20,113,429	1,076,172,676	1,073,165,634	(3,007,042)	

7 exchange transactions

Total revenue	1,402,304,871	20,900,613	1,423,205,484	1,392,582,070	(30,623,414)	

Expenditure

Employee Related Costs	(497,297,268)	(51,438,276)	(548,735,544)	(589,974,895)	(41,239,351)	
Remuneration of councillors	(34,185,336)	(802,704)	(34,988,040)	(36,957,670)	(1,969,630)	
Depreciation and amortisation	(86,017,694)	-	(86,017,694)	(91,575,350)	(5,557,656)	
Impairments	(33,111,333)	-	(33,111,333)	(118,882,501)	(85,771,168)	Note67
Finance costs	(11,817,944)	1,000,000	(10,817,944)	(31,134,531)	(20,316,587)	Note67
Lease rentals on operating lease	(6,777,992)	128,000	(6,649,992)	(5,173,850)	1,476,142	
Bad debts written off	(5,000,000)	-	(5,000,000)	(13,768,277)	(8,768,277)	

KZN216 Ray Nkonyeni Municipality

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Trading as Ray Nkonyeni

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Annual Financial Statements for the year ended 30 June 2025

Statement of Comparison of Budget and Actual Amounts

Bulk purchases	(153,549,948)		(153,549,948)	(177,510,341)	(23,960,393)	Note67
Contracted Services	(227,033,136)	(48,652,913)	(275,686,049)	(240,598,548)	35,087,501	Note67
Transfers and Subsidies	(24,347,748)	2,641,087	(21,706,661)	(18,975,548)	2,731,113	Note67
Inventory consumed	(12,981,724)	65,495	(12,916,229)	(13,533,782)	(617,553)	Note67

KZN216 Ray Nkonyeni Municipality

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Trading as Ray Nkonyeni

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Annual Financial Statements for the year ended 30 June 2025

Statement of Comparison of Budget and Actual Amounts

Budget on Cash Basis

	Approved	Adjustments	Final Budget	Actual amounts	Difference	Reference
	budget			on comparable basis	between final budget and actual	
Figures in Rand						
General Expenses	(157,398,020)	(436,636)	(157,834,656)	(152,929,433)	4,905,223	
Total expenditure	(1,249,518,143)	(97,495,947)	(1,347,014,090)	(1,491,014,726)	(144,000,636)	
Operating deficit	152,786,728	(76,595,334)	76,191,394	(98,432,656)	(174,624,050)	
Loss on disposal of assets	-	-	-	(2,586,495)	(2,586,495)	Note67
Fair value adjustments	-	-	-	29,164,565	29,164,565	Note67
	-	-	-	26,578,070	26,578,070	
Deficit before taxation	152,786,728	(76,595,334)	76,191,394	(71,854,586)	(148,045,980)	
Actual Amount on Comparable Basis as Presented in the Budget and Actual Comparative Statement	152,786,728	(76,595,334)	76,191,394	(71,854,586)	(148,045,980)	

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Figures in Rand	Note(s)	2025	2024

1. Significant accounting policies

The significant accounting policies applied in the preparation of these annual financial statements are set out below.

1.1 Basis of preparation

The annual financial statements have been prepared in accordance with the Standards of Generally Recognised Accounting Practice (GRAP), issued by the Accounting Standards Board in accordance with Section 122(3) of the MFMA.

These annual financial statements have been prepared on an accrual basis of accounting and are in accordance with historical cost convention as the basis of measurement, unless specified otherwise. They are presented in South African Rand, rounded to nearest rand

These accounting policies are consistent with the previous period.

1.2 Presentation currency

These annual financial statements are presented in South African Rand, which is the functional currency of the municipality.

1.3 Going concern assumption

These annual financial statements have been prepared based on the expectation that the municipality will continue to operate as a going concern for at least the next 12 months.

1.4 Materiality

Omissions or misstatements of items are material if they could, individually or collectively, influence the decisions or assessments of users made on the basis of the financial statements. Materiality depends on the nature or size of the omission or misstatement judged in the surrounding circumstances. The nature or size of the information item, or a combination of both, could be the determining factor.

Assessing whether an omission or misstatement could influence decisions of users, and so be material, requires consideration of the characteristics of those users. The Framework for the Preparation and Presentation of Financial Statements states that users are assumed to have a reasonable knowledge of government, its activities, accounting and a willingness to study the information with reasonable diligence. Therefore, the assessment takes into account how users with such attributes could reasonably be expected to be influenced in making and evaluating decisions.

1.5 Significant judgements and sources of estimation uncertainty

In preparing the annual financial statements, management is required to make estimates and assumptions that affect the amounts represented in the annual financial statements and related disclosures. Use of available information and the application of judgement is inherent in the formation of estimates. Actual results in the future could differ from these estimates which may be material to the annual financial statements. Significant judgements include:

Other significant judgements, sources of estimation uncertainty and/or relating information, have been disclosed in the relating notes.

Trade receivables / Held to maturity investments and/or loans and receivables

The municipality assesses its trade receivables, held to maturity investments and loans and receivables for impairment at the end of each reporting period. In determining whether an impairment loss should be recorded in surplus or deficit, the municipality makes judgements as to whether there is observable data indicating a measurable decrease in the estimated future cash flows from a financial asset.

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The impairment for trade receivables, held to maturity investments and loans and receivables is calculated on a portfolio basis, based on historical loss ratios, adjusted for national and industry-specific economic conditions and other indicators present at the reporting date that correlate with defaults on the portfolio.

Impairment testing

The recoverable amounts of cash-generating units and individual assets have been determined based on the higher of value-in-use calculations and fair values less costs to sell. These calculations require the use of estimates and assumptions. It is reasonably possible that the assumption may change which may then impact our estimations and may then require a material adjustment to the carrying value of goodwill and tangible assets.

The municipality reviews and tests the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. In addition, goodwill is tested on an annual basis for impairment. Assets are grouped at the lowest level for which identifiable cash flows are largely independent of cash flows of other assets and liabilities. If there are indications that impairment may have occurred, estimates are prepared of expected future cash flows for each group of assets. Expected future cash flows used to determine the value in use of goodwill and tangible assets are inherently uncertain and could materially change over time.

Provisions

Provisions were raised and management determined an estimate based on the information available. Additional disclosure of these estimates of provisions is included in note 19 - Provisions.

Post-retirement benefits

The present value of the post-retirement obligation depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) include the discount rate. Any changes in these assumptions will impact on the carrying amount of post-retirement obligations.

The municipality determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the pension obligations. In determining the appropriate discount rate, the municipality considers the interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating the terms of the related pension liability.

Other key assumptions for pension obligations are based on current market conditions. Additional information is disclosed in Note 17.

Allowance for doubtful debts

On debtors an impairment loss is recognised in surplus and deficit when there is objective evidence that it is impaired. The impairment is measured as the difference between the debtors carrying amount and the present value of estimated future cash flows discounted at the effective interest rate, computed at initial recognition.

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1.6 Investment property

Investment property is property (land or a building - or part of a building - or both) held to earn rentals or for capital appreciation or both, rather than for:

- use in the production or supply of goods or services or for
- administrative purposes, or
- sale in the ordinary course of operations.

Owner-occupied property is property held for use in the production or supply of goods or services or for administrative purposes.

Investment property is recognised as an asset when, it is probable that the future economic benefits or service potential that are associated with the investment property will flow to the municipality, and the cost or fair value of the investment property can be measured reliably.

Investment property is initially recognised at cost. Transaction costs are included in the initial measurement.

Where investment property is acquired through a non-exchange transaction, its cost is its fair value as at the date of acquisition. Costs include costs incurred initially and costs incurred subsequently to add to, or to replace a part of, or service a property. If a replacement part is recognised in the carrying amount of the investment property, the carrying amount of the replaced part is derecognised.

Fair value

Subsequent to initial measurement investment property is measured at fair value.

The fair value of investment property reflects market conditions at the reporting date.

A gain or loss arising from a change in fair value is included in net surplus or deficit for the period in which it arises.

If the entity determines that the fair value of an investment property under construction is not reliably determinable but expects the fair value of the property to be reliably measurable when construction is complete, it measures that investment property under construction at cost until either its fair value becomes reliably determinable or construction is completed (whichever is earlier). If the entity determines that the fair value of an investment property (other than an investment property under construction) is not reliably determinable on a continuing basis, the entity measures that investment property using the cost model (as per the accounting policy on Property, plant and equipment). The residual value of the investment property is then assumed to be zero. The entity applies the cost model (as per the accounting policy on Property, plant and equipment) until disposal of the investment property.

Once the entity becomes able to measure reliably the fair value of an investment property under construction that has previously been measured at cost, it measures that property at its fair value. Once construction of that property is complete, it is presumed that fair value can be measured reliably. If this is not the case, the property is accounted for using the cost model in accordance with the accounting policy on Property, plant and equipment.

Compensation from third parties for investment property that was impaired, lost or given up is recognised in surplus or deficit when the compensation becomes receivable.

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Property interests held under operating leases are classified and accounted for as investment property in the following circumstances:

When classification is difficult, the criteria used to distinguish investment property from owner-occupied property and from property held for sale in the ordinary course of operations, including the nature or type of properties classified as held for strategic purposes, are as follows:

The nature OR type of properties classified as held for strategic purposes are as follows:

The municipality separately discloses expenditure to repair and maintain investment property in the notes to the annual financial statements (see note 3).

The municipality discloses relevant information relating to assets under construction or development, in the notes to the annual financial statements (see note 3).

1.7 Property, plant and equipment

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 period.

The cost of an item of property, plant and equipment is recognised as an asset when:

- it is probable that future economic benefits or service potential associated with the item will flow to the municipality; and
- The cost of the item can be measured reliably.

Property, plant and equipment is initially measured at cost.

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 management. Trade discounts and rebates are deducted in arriving at the cost.

Where an asset is acquired through a non-exchange transaction, its cost is its fair value as at date of acquisition.

Where an item of property, plant and equipment is acquired in exchange for a non-monetary asset or monetary assets, or a combination of monetary and non-monetary assets, the asset acquired is initially measured at fair value (the cost). If the acquired item's fair value was not determinable, its deemed cost is the carrying amount of the asset(s) given up.

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.

Costs include costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to, replace part of, or service it. If a replacement cost is recognised in the carrying amount of an item of property, plant and equipment, the carrying amount of the replaced part is derecognised.

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The initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located is also included in the cost of property, plant and equipment, where the entity is obligated to incur such expenditure, and where the obligation arises as a result of acquiring the asset or using it for purposes other than the production of inventories.

Recognition of costs in the carrying amount of an item of property, plant and equipment ceases when the item is in the location and condition necessary for it to be capable of operating in the manner intended by management.

Items such as spare parts, standby equipment and servicing equipment are recognised when they meet the definition of property, plant and equipment.

Major inspection costs which are a condition of continuing use of an item of property, plant and equipment and which meet the recognition criteria above are included as a replacement in the cost of the item of property, plant and equipment. Any remaining inspection costs from the previous inspection are derecognised.

Property, plant and equipment is carried at cost less accumulated depreciation and any impairment losses.

Property, plant and equipment are depreciated on the straight-line basis over their expected useful lives to their estimated residual value.

Property, plant and equipment is carried at cost less accumulated depreciation and any impairment losses. The useful lives of items of property, plant and equipment have been assessed as follows:

Item	Depreciation method	Average useful life
Land	Straight-line	Indefinite
Buildings	Straight-line	5-50 Years
Solid waste and disposal	Straight-line	10-80 Years
Road and paving	Straight-line	3-80 Years
Furniture and fittings	Straight-line	5-15 Years
Motor vehicles	Straight-line	5-30 Years
Machinery and equipment	Straight-line	2-15 Years
Computer and office equipment	Straight-line	5-7 Years
Electricity	Straight-line	3-60 Years
Recreational Facilities	Straight-line	5-50 Years
Buildings and other structures	Straight-line	15- 50 Years

The depreciable amount of an asset is allocated on a systematic basis over its useful life.

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 is depreciated separately. 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. The depreciation method applied to an asset is reviewed at least at each reporting date and, if there has been a significant change in the expected pattern of consumption of the future economic benefits or service potential embodied in the asset, the method is changed to reflect the changed pattern. Such a change is accounted for as a change in an accounting estimate.

The municipality assesses at each reporting date whether there is any indication that the municipality expectations about the residual value and the useful life of an asset have changed since the preceding reporting date. If any such indication exists, the municipality revises the expected useful life and/or residual value accordingly. The change is accounted for as a change in an accounting estimate.

The depreciation charge for each period is recognised in surplus or deficit unless it is included in the carrying amount of another asset.

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 from the derecognition of an item of property, plant and equipment is included in surplus or deficit when the item is derecognised. The gain or loss arising from the derecognition 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.

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Assets which the municipality holds for rentals to others and subsequently routinely sell as part of the ordinary course of activities, are transferred to inventories when the rentals end and the assets are available-for-sale. Proceeds from sales of these assets are recognised as revenue. All cash flows on these assets are included in cash flows from operating activities in the cash flow statement.

The municipality separately discloses expenditure to repair and maintain property, plant and equipment in the notes to the financial statements (see note 4).

The municipality discloses relevant information relating to assets under construction or development, in the notes to the financial statements (see note 4).

1.8 Site restoration and dismantling cost

The municipality has an obligation to dismantle, remove and restore items of property, plant and equipment. Such obligations are referred to as 'decommissioning, restoration and similar liabilities. The cost of an item of property, plant and equipment includes the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which a municipality incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.

If the related asset is measured using the cost model:

- (a) subject to (b), changes in the liability are added to, or deducted from, the cost of the related asset in the current period;
- (b) if a decrease in liability exceeds the carrying amount of the asset, the excess is recognised immediately in surplus or deficit; and
- (c) if the adjustment results in an addition to the cost of an asset, the municipality considers whether this is an indication that the new carrying amount of the asset may not be fully recoverable. If it is such an indication, the asset is tested for impairment by estimating its recoverable amount or recoverable service amount, and any impairment loss is recognised in accordance with the accounting policy on impairment of cash-generating assets and/or impairment of non-cash-generating assets.

1.9 Intangible assets

An asset is identifiable if it either:

- is separable, i.e. 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, identifiable assets or liability, regardless of whether the entity intends to do so; or
- arises from binding arrangements (including rights from contracts), regardless of whether those rights are transferable or separable from the municipality or from other rights and obligations.

A binding arrangement describes an arrangement that confers similar rights and obligations on the parties to it as if it were in the form of a contract.

- An intangible asset is recognised when: it is probable that the expected future economic benefits or 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.

The municipality assesses the probability of expected future economic benefits or service potential using reasonable and supportable assumptions that represent management's best estimate of the set of economic conditions that will exist over the useful life of the asset.

Where an intangible asset is acquired through a non-exchange transaction, its initial cost at the date of acquisition is measured at its fair value as at that date.

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Expenditure on research (or on the research phase of an internal project) is recognised as an expense when it is incurred.

An intangible asset arising from development (or from the development phase of an internal project) is recognised when:

- it is technically feasible to complete the asset so that it will be available for use or sale.
- there is an intention to complete and use or sell it.
- there is an ability to use or sell it.
- it will generate probable future economic benefits or service potential.
- there are available technical, financial and other resources to complete the development and to use or sell the assets.
- the expenditure attributable to the asset during its development can be measured reliably.

Intangible assets are carried at cost less any accumulated amortisation and any impairment losses.

An intangible asset is regarded as having an indefinite useful life when, based on all relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows or service potential. Amortisation is not provided for these intangible assets, but they are tested for impairment annually and whenever there is an indication that the asset may be impaired. For all other intangible assets amortisation is provided on a straight-line basis over their useful life.

The amortisation period and the amortisation method for intangible assets are reviewed at each reporting date.

Reassessing the useful life of an intangible asset with a finite useful life after it was classified as indefinite is an indicator that the asset may be impaired. As a result, the asset is tested for impairment and the remaining carrying amount is amortised over its useful life.

Internally generated brands, mastheads, publishing titles, customer lists and items similar in substance are not recognised as intangible assets.

Internally generated goodwill is not recognised as an intangible asset.

Amortisation is provided to write down the intangible assets, on a straight-line basis, to their residual values as follows:

Item	Depreciation method	Average useful life
Computer software	Straight-line	5 Years

The municipality discloses relevant information relating to assets under construction or development, in the notes to the financial statements (see note 4).

Intangible assets are derecognised:

- on disposal; or
- when no future economic benefits or service potential are expected from its use or disposal.
- The gain or loss arising from the derecognition of intangible assets is included in surplus or deficit when the asset is derecognised (unless the Standard of GRAP on leases requires otherwise on a sale and leaseback)

1.10 Heritage assets

Assets are resources controlled by a municipality as a result of past events and from which future economic benefits or service potential are expected to flow to the municipality.

Carrying amount is the amount at which an asset is recognised after deducting accumulated impairment losses.

Class of heritage assets means a grouping of heritage assets of a similar nature or function in a municipality's operations that is shown as a single item for the purpose of disclosure in the annual financial statements.

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Cost is the amount of cash or cash equivalents paid, or the fair value of the other consideration given to acquire an asset at the time of its acquisition or construction or, where applicable, the amount attributed to that asset when initially recognised in accordance with the specific requirements of other Standards of GRAP.

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

Heritage assets are assets that have a cultural, environmental, historical, natural, scientific, technological or artistic significance and are held indefinitely for the benefit of present and future generations.

An impairment loss of a cash-generating asset is the amount by which the carrying amount of an asset exceeds its recoverable amount.

An impairment loss of a non-cash-generating asset is the amount by which the carrying amount of an asset exceeds its recoverable service amount.

An inalienable item is an asset that a municipality is required by law or otherwise to retain indefinitely and cannot be disposed of without consent.

Recoverable amount is the higher of a cash-generating asset's net selling price and its value in use.

Recoverable service amount is the higher of a non-cash-generating asset's fair value less costs to sell and its value in use.

Value in use of a cash-generating asset is the present value of the future cash flows expected to be derived from an asset or cash-generating unit.

Value in use of a non-cash-generating asset is the present value of the asset's remaining service potential.

The municipality separately discloses expenditure to repair and maintain heritage assets in the notes to the financial statements (see note 6).

The municipality discloses relevant information relating to assets under construction or development, in the notes to the financial statements (see note 6).

Recognition

The municipality recognises a heritage asset as an asset if it is probable that future economic benefits or service potential associated with the asset will flow to the municipality, and the cost or fair value of the asset can be measured reliably.

Initial measurement

Heritage assets are measured at cost.

Where a heritage asset is acquired through a non-exchange transaction, its cost is measured at its fair value as at the date of acquisition.

Subsequent measurement

After recognition as an asset, a class of heritage assets is carried at its cost less any accumulated impairment losses.

Impairment

The municipality assesses at each reporting date whether there is an indication that it may be impaired. If any such indication exists, the municipality estimates the recoverable amount or the recoverable service amount of the heritage asset.

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Transfers

Transfers from heritage assets are only made when the particular asset no longer meets the definition of a heritage asset.

Transfers to heritage assets are only made when the asset meets the definition of a heritage asset.

Derecognition

The municipality derecognises heritage asset on disposal, or when no future economic benefits or service potential are expected from its use or disposal.

The gain or loss arising from the derecognition of a heritage asset is included in surplus or deficit when the item is derecognised (unless the Standard of GRAP on leases requires otherwise on a sale and leaseback).

1.11 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or a residual interest of another entity.

The amortised cost of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured at initial recognition minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, and minus any reduction (directly or through the use of an allowance account) for impairment or collectability.

A concessionary loan is a loan granted to or received by an entity on terms that are not market related.

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

Derecognition is the removal of a previously recognised financial asset or financial liability from an entity's statement of financial position.

A derivative is a financial instrument or other contract with all three of the following characteristics:

- Its value changes in response to the change in a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract (sometimes called the 'underlying').
- It requires no initial net investment or an initial net investment that is smaller than would be required for other types of contracts that would be expected to have a similar response to changes in market factors.
- It is settled at a future date.

The effective interest method is a method of calculating the amortised cost of a financial asset or a financial liability (or group of financial assets or financial liabilities) and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability. When calculating the effective interest rate, an entity shall estimate cash flows considering all contractual terms of the financial instrument (for example, prepayment, call and similar options) but shall not consider future credit losses. The calculation includes all fees and points paid or received between parties to the contract that are an integral part of the effective interest rate (see the Standard of GRAP on Revenue from Exchange Transactions), transaction costs, and all other premiums or discounts. There is a presumption that the cash flows and the expected life of a group of similar financial instruments can be estimated reliably. However, in those rare cases when it is not possible to reliably estimate the cash flows or the expected life of a financial instrument (or group of financial instruments), the entity shall use the contractual cash flows over the full contractual term of the financial instrument (or group of financial instruments).

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Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable willing parties in an arm's length transaction.

A financial asset is:

- cash;
- a residual interest of another entity; or
- a contractual right to:
 - receive cash or another financial asset from another entity; or
 - exchange financial assets or financial liabilities with another entity under conditions that are potentially favourable to the entity.

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument.

A financial liability is any liability that is a contractual obligation to:

- deliver cash or another financial asset to another entity; or
- exchange financial assets or financial liabilities under conditions that are potentially unfavourable to the entity.

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Liquidity risk is the risk encountered by an entity in the event of difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

Loan commitment is a firm commitment to provide credit under pre-specified terms and conditions.

Loans payable are financial liabilities, other than short-term payables on normal credit terms.

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk.

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

A financial asset is past due when a counterparty has failed to make a payment when contractually due.

A residual interest is any contract that manifests an interest in the assets of an entity after deducting all of its liabilities. A residual interest includes contributions from owners, which may be shown as:

- equity instruments or similar forms of unitised capital;
- a formal designation of a transfer of resources (or a class of such transfers) by the parties to the transaction as forming part of an entity's net assets, either before the contribution occurs or at the time of the contribution; or
- a formal agreement, in relation to the contribution, establishing or increasing an existing financial interest in the net assets of an entity.

Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of a financial asset or financial liability. An incremental cost is one that would not have been incurred if the entity had not acquired, issued or disposed of the financial instrument.

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Financial instruments at amortised cost are non-derivative financial assets or non-derivative financial liabilities that have fixed or determinable payments, excluding those instruments that:

- the entity designates at fair value at initial recognition; or
- are held for trading.

Financial instruments at cost are investments in residual interests that do not have a quoted market price in an active market, and whose fair value cannot be reliably measured.

Financial instruments at fair value comprise financial assets or financial liabilities that are:

- derivatives;
- contingent consideration of an acquirer in a transfer of functions between entities not under common control to which the Standard of GRAP on Transfer of Functions Between Entities Not Under Common Control (GRAP 106) applies
- combined instruments that are designated at fair value;
- instruments held for trading. A financial instrument is held for trading if:
 - it is acquired or incurred principally for the purpose of selling or repurchasing it in the near-term; or
 - on initial recognition it is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking;
 - non-derivative financial assets or financial liabilities with fixed or determinable payments that are designated at fair value at initial recognition; and
 - financial instruments that do not meet the definition of financial instruments at amortised cost or financial instruments at cost.

1.12 Statutory receivables

Identification

Statutory receivables are receivables that arise from legislation, supporting regulations, or similar means, and require settlement by another entity in cash or another financial asset.

Carrying amount is the amount at which an asset is recognised in the statement of financial position.

The cost method is the method used to account for statutory receivables that requires such receivables to be measured at their transaction amount, plus any accrued interest or other charges (where applicable) and, less any accumulated impairment losses and any amounts derecognised.

Nominal interest rate is the interest rate and/or basis specified in legislation, supporting regulations or similar means.

The transaction amount for a statutory receivable means the amount specified in, or calculated, levied or charged in accordance with, legislation, supporting regulations, or similar means.

Recognition

The municipality recognises statutory receivables as follows:

- if the transaction is an exchange transaction, using the policy on Revenue from exchange transactions;
- if the transaction is a non-exchange transaction, using the policy on Revenue from non-exchange transactions (Taxes and transfers); or
- if the transaction is not within the scope of the policies listed in the above or another Standard of GRAP, the receivable is recognised when the definition of an asset is met and, when it is probable that the future economic benefits or service potential associated with the asset will flow to the entity and the transaction amount can be measured reliably.

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Initial measurement

The municipality initially measures statutory receivables at their transaction amount.

Subsequent measurement

The municipality measures statutory receivables after initial recognition using the cost method. Under the cost method, the initial measurement of the receivable is changed subsequent to initial recognition to reflect any:

- interest or other charges that may have accrued on the receivable (where applicable);
- impairment losses; and
- amounts derecognised.

Accrued interest

Where the municipality levies interest on the outstanding balance of statutory receivables, it adjusts the transaction amount after initial recognition to reflect any accrued interest. Accrued interest is calculated using the nominal interest rate.

Interest on statutory receivables is recognised as revenue in accordance with the policy on Revenue from exchange transactions or the policy on Revenue from non-exchange transactions (Taxes and transfers), whichever is applicable.

Other charges

Where the municipality is required or entitled in terms of legislation, supporting regulations, by-laws or similar means to levy additional charges on overdue or unpaid amounts, and such charges are levied, the entity applies the principles as stated in "Accrued interest" above, as well as the relevant policy on Revenue from exchange transactions or the policy on Revenue from non-exchange transactions (Taxes and transfers).

Impairment losses

The municipality assesses at each reporting date whether there is any indication that a statutory receivable, or a group of statutory receivables, may be impaired.

In assessing whether there is any indication that a statutory receivable, or group of statutory receivables, may be impaired, the municipality considers, as a minimum, the following indicators:

- Significant financial difficulty of the debtor, which may be evidenced by an application for debt counselling, business rescue or an equivalent.
- It is probable that the debtor will enter sequestration, liquidation or other financial re-organisation.
- A breach of the terms of the transaction, such as default or delinquency in principal or interest payments (where levied).
- Adverse changes in international, national or local economic conditions, such as a decline in growth, an increase in debt levels and unemployment, or changes in migration rates and patterns.

If there is an indication that a statutory receivable, or a group of statutory receivables, may be impaired, the municipality measures the impairment loss as the difference between the estimated future cash flows and the carrying amount. Where the carrying amount is higher than the estimated future cash flows, the carrying amount of the statutory receivable, or group of statutory receivables, is reduced, either directly or through the use of an allowance account. The amount of the losses is recognised in surplus or deficit.

In estimating the future cash flows, an municipality considers both the amount and timing of the cash flows that it will receive in future. Consequently, where the effect of the time value of money is material, the entity discounts the estimated future cash flows using a rate that reflects the current risk-free rate and, if applicable, any risks specific to the statutory receivable, or group of statutory receivables, for which the future cash flow estimates have not been adjusted.

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An impairment loss recognised in prior periods for a statutory receivable is revised if there has been a change in the estimates used since the last impairment loss was recognised, or to reflect the effect of discounting the estimated cash flows.

Any previously recognised impairment loss is adjusted either directly or by adjusting the allowance account. The adjustment does not result in the carrying amount of the statutory receivable or group of statutory receivables exceeding what the carrying amount of the receivable(s) would have been had the impairment loss not been recognised at the date the impairment is revised. The amount of any adjustment is recognised in surplus or deficit.

Derecognition

The municipality derecognises a statutory receivable, or a part thereof, when:

- the rights to the cash flows from the receivable are settled, expired or are waived;
- the municipality transfers to another party substantially all of the risks and rewards of ownership of the receivable; or
- the municipality, despite having retained some significant risks and rewards of ownership of the receivable, has transferred control of the receivable to another party and the other party has the practical ability to sell the receivable in its entirety to an unrelated third party, and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer. In this case, the entity:
 - derecognise the receivable; and
 - recognise separately any rights and obligations created or retained in the transfer.

The carrying amounts of any statutory receivables transferred are allocated between the rights or obligations retained and those transferred on the basis of their relative fair values at the transfer date. The entity considers whether any newly created rights and obligations are within the scope of the Standard of GRAP on Financial Instruments or another Standard of GRAP. Any difference between the consideration received and the amounts derecognised and, those amounts recognised, are recognised in surplus or deficit in the period of the transfer.

1.13 Leases

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership.

When a lease includes both land and buildings elements, the entity assesses the classification of each element separately.

Finance leases - lessor

The municipality recognises finance lease receivables as assets on the statement of financial position. Such assets are presented as a receivable at an amount equal to the net investment in the lease. Finance revenue is recognised based on a pattern reflecting a constant periodic rate of return on the municipality's net investment in the finance lease.

1.13 Leases (continued)

Finance leases - lessee

Finance leases are recognised as assets and liabilities in the statement of financial position at amounts equal to the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding liability to the lessor is included in the statement of financial position as a finance lease obligation.

The discount rate used in calculating the present value of the minimum lease payments is the.

Minimum lease payments are apportioned between the finance charge and reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of on the remaining balance of the liability.

Any contingent rents are expensed in the period in which they are incurred.

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Operating leases - lessor

Operating lease revenue is recognised as revenue on a straight-line basis over the lease term.

Initial direct costs incurred in negotiating and arranging operating leases are added to the carrying amount of the leased asset and recognised as an expense over the lease term on the same basis as the lease revenue.

The aggregate cost of incentives is recognised as a reduction of rental revenue over the lease term on a straight-line basis.

The aggregate benefit of incentives is recognised as a reduction of rental expense over the lease term on a straight-line basis.

Income for leases is disclosed under revenue in statement of financial performance.

Operating leases - lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. The difference between the amounts recognised as an expense and the contractual payments are recognised as an operating lease asset or liability.

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1.14 Inventories

Inventories are initially measured at cost except where inventories are acquired through a non-exchange transaction, then their costs are their fair value as at the date of acquisition.

Subsequently inventories are measured at the lower of cost and net realisable value.

Inventories are measured at the lower of cost and current replacement cost where they are held for.

- distribution at no charge or for a nominal charge; or
- consumption in the production process of goods to be distributed at no charge or for a nominal charge.

Net realisable value is the estimated selling price in the ordinary course of operations less the estimated costs of completion and the estimated costs necessary to make the sale, exchange or distribution.

Current replacement cost is the cost the municipality incurs to acquire the asset on the reporting date.

The cost of inventories comprises of all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

The cost of inventories of items that are not ordinarily interchangeable, and goods or services produced and segregated for specific projects is assigned using specific identification of the individual costs.

The cost of inventories is assigned using the weighted average cost formula. The same cost formula is used for all inventories having a similar nature and use to the municipality.

When inventories are sold, the carrying amounts of those inventories are recognised as an expense in the period in which the related revenue is recognised. If there is no related revenue, the expenses are recognised when the goods are distributed, or related services are rendered. The amount of any write-down of inventories to net realisable value or current replacement cost and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories, arising from an increase in net realisable value or current replacement cost, are recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

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1.15 Construction contracts and receivables

Construction contract is a contract, or a similar binding arrangement, specifically negotiated for the construction of an asset or a combination of assets that are closely interrelated or interdependent in terms of their design, technology and function or their ultimate purpose or use.

Contractor is an entity that performs construction work pursuant to a construction contract.

Cost plus or cost-based contract is a construction contract in which the contractor is reimbursed for allowable or otherwise defined costs and, in the case of a commercially based contract, an additional percentage of these costs or a fixed fee, if any.

Fixed price contract is a construction contract in which the contractor agrees to a fixed contract price, or a fixed rate per unit of output, which in some cases is subject to cost escalation clauses.

A contractor is an entity that enters into a contract to build structures, construct facilities, produce goods, or render services to the specifications of another entity either itself or through the use of sub-contractors. The term "contractor" thus includes a general or prime contractor, a subcontractor to a general contractor, or a construction manager.

The entity assesses the terms and conditions of each contract concluded with customers to establish whether the contract is a construction contract or not. In assessing whether the contract is a construction contract, an entity considers whether it is a contractor.

Where the outcome of a construction contract can be estimated reliably, contract revenue and costs are recognised by reference to the stage of completion of the contract activity at the reporting date, as measured by.

Variations in contract work, claims and incentive payments are included to the extent that they have been agreed with the customer.

When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised to the extent that contract costs incurred are recoverable. Contract costs are recognised as an expense in the period in which they are incurred.

When it is probable that total contract costs will exceed total contract revenue, the expected deficit is recognised as an expense immediately.

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1.16 Impairment of cash-generating assets

Cash-generating assets are assets used with the objective of generating a commercial return. Commercial return means that positive cash flows are expected to be significantly higher than the cost of the asset.

Impairment is a loss in the future economic benefits or service potential of an asset, over and above the systematic recognition of the loss of the asset's future economic benefits or service potential through depreciation (amortisation).

Carrying amount is the amount at which an asset is recognised in the statement of financial position after deducting any accumulated depreciation and accumulated impairment losses thereon.

A cash-generating unit is the smallest identifiable group of assets used with the objective of generating a commercial return that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets.

Costs of disposal are incremental costs directly attributable to the disposal of an asset, excluding finance costs and income tax expense.

Depreciation (Amortisation) is the systematic allocation of the depreciable amount of an asset over its useful life.

Fair value less costs to sell is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal.

Recoverable amount of an asset or a cash-generating unit is the higher its fair value less costs to sell and its value in use.

Useful life is either:

- the period of time over which an asset is expected to be used by the municipality; or
- the number of production or similar units expected to be obtained from the asset by the municipality.

1.17 Impairment of non-cash-generating assets

Cash-generating assets are assets used with the objective of generating a commercial return. Commercial return means that positive cash flows are expected to be significantly higher than the cost of the asset.

Non-cash-generating assets are assets other than cash-generating assets.

Impairment is a loss in the future economic benefits or service potential of an asset, over and above the systematic recognition of the loss of the asset's future economic benefits or service potential through depreciation (amortisation).

Carrying amount is the amount at which an asset is recognised in the statement of financial position after deducting any accumulated depreciation and accumulated impairment losses thereon.

1.17 Impairment of non-cash generating assets (continued)

A cash-generating unit is the smallest identifiable group of assets managed with the objective of generating a commercial return that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets.

Costs of disposal are incremental costs directly attributable to the disposal of an asset, excluding finance costs and income tax expense.

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Depreciation (Amortisation) is the systematic allocation of the depreciable amount of an asset over its useful life.

Fair value less costs to sell is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal.

Recoverable service amount is the higher of a non-cash-generating asset's fair value less costs to sell and its value in use.

Useful life is either:

- the period of time over which an asset is expected to be used by the municipality; or
- the number of production or similar units expected to be obtained from the asset by the municipality.

1.18 Employee benefits

Identification

Employee benefits

Employee benefits are all forms of consideration given by an entity in exchange for service rendered by employees or for the termination of employment.

Short-term employee benefits are employee benefits (other than termination benefits) that are due to be settled wholly before twelve months after the end of the reporting period in which the employees render the related service.

Post-employment benefits are employee benefits (other than termination benefits and short-term employee benefits) that are payable after the completion of employment.

Other long-term employee benefits are all employee benefits other than short-term employee benefits, post-employment benefits and termination benefits.

Termination benefits are employee benefits provided in exchange for the termination of an employee's employment as a result of either: (a) an entity's decision to terminate an employee's employment before the normal retirement date; or (b) an employee's decision to accept an offer of benefits in exchange for the termination of employment.

1.18 Employee benefits (continued)

Classification of plans

A binding arrangement is an arrangement that confers enforceable rights and obligations on the parties to the arrangement as if it were in the form of a contract. It includes rights from contracts or other legal rights.

Post-employment benefit plans are formal or informal arrangements under which an entity provides post-employment benefits for one or more employees.

Defined contribution plans are post-employment benefit plans under which an entity pays fixed contributions into a separate entity (a fund) and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods.

Defined benefit plans are post-employment benefit plans other than defined contribution plans.

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Multi-employer plans are defined contribution plans (other than state plans) or defined benefit plans (other than state plans) that: (a) pool the assets contributed by various entities that are not under common control; and (b) use those assets to provide benefits to employees of more than one entity, on the basis that contribution and benefit levels are determined without regard to the identity of the entity that employs the employees.

State plans are plans established by legislation that operate as if they are multiemployer plans for all entities in economic categories laid down in legislation.

Net defined benefit liability (asset)

The net defined benefit liability (asset) is the deficit or surplus, adjusted for any effect of limiting a net defined benefit asset to the asset ceiling.

The deficit or surplus is: (a) the present value of the defined benefit obligation; less (b) the fair value of plan assets (if any); plus (c) any liability that may arise as a result of a minimum funding requirement.

The asset ceiling is the present value of any economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan.

The present value of a defined benefit obligation is the present value, without deducting any plan assets, of expected future payments required to settle the obligation resulting from employee service in the current and prior periods.

Plan assets comprise: (a) assets held by a long-term employee benefit fund; and (b) qualifying insurance policies.

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1.18 Employee benefits (continued)

Assets held by a long-term employee benefit fund are assets (other than nontransferable financial instruments issued by the reporting entity) that: (a) are held by an entity (a fund) that is legally separate from the reporting entity and exists solely to pay or fund employee benefits; and (b) are available to be used only to pay or fund employee benefits, are not available to the reporting entity's own creditors (even in liquidation), and cannot be returned to the reporting entity, unless either: (i) the remaining assets of the fund are sufficient to meet all the related employee benefit obligations of the plan or the reporting entity; or (ii) the assets are returned to the reporting entity to reimburse it for employee benefits already paid.

A qualifying insurance policy is an insurance policy issued by an insurer that is not a related party (as defined in GRAP 20) of the reporting entity, if the proceeds of the policy: (a) can be used only to pay or fund employee benefits under a defined benefit plan; and (b) are not available to the reporting entity's own creditors (even in liquidation) and cannot be paid to the reporting entity, unless either: (i) the proceeds represent surplus assets that are not needed for the policy to meet all the related employee benefit obligations; or (ii) the proceeds are returned to the reporting entity to reimburse it for employee benefits already paid.

Defined benefit cost

Service cost comprises: (a) current service cost, which is the increase in the present value of the defined benefit obligation resulting from employee service in the current period; (b) past service cost, which is the change in the present value of the defined benefit obligation for employee service in prior periods, resulting from a plan amendment (the introduction or withdrawal of, or changes to, a defined benefit plan) or a curtailment (a significant reduction by the entity in the number of employees covered by a plan); and (c) any gain or loss on settlement.

Net interest on the net defined benefit liability (asset) is the change during the period in the net defined benefit liability (asset) that arises from the passage of time.

Remeasurements of the net defined benefit liability (asset) comprise: (a) actuarial gains and losses; (b) the return on plan assets, excluding amounts included in net interest on the net defined benefit liability (asset); and (c) any change in the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability (asset).

Actuarial gains and losses are changes in the present value of the defined benefit obligation resulting from: (a) experience adjustments (the effects of differences between the previous actuarial assumptions and what has actually occurred); and (b) the effects of changes in actuarial assumptions.

The return on plan assets is interest, dividends or similar distributions and other revenue derived from the plan assets, together with realised and unrealised gains or losses on the plan assets, less: (a) any costs of managing the plan assets; and (b) any tax payable by the plan itself other than tax included in the actuarial assumptions used to measure the present value of the defined benefit obligation.

1.18 Employee benefits (continued)

A settlement is a transaction that eliminates all further legal or constructive obligations for part or all of the benefits provided under a defined benefit plan, other than a payment of benefits to, or on behalf of, employees that is set out in the terms of the plan and included in the actuarial assumptions.

Short-term employee benefits

Recognition and measurement

All short-term employee benefits

When an employee has rendered service to the entity during a reporting period, the entity recognises the undiscounted amount of short-term employee benefits expected to be paid in exchange for that service:

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(a) As a liability (accrued expense), after deducting any amount already paid. If the amount already paid exceeds the undiscounted amount of the benefits, the entity recognises that excess as an asset (prepaid expense) to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund.

(b) As an expense, unless another Standard of GRAP requires or permits the inclusion of the benefits in the cost of an asset.

Post-employment benefits: Defined contribution plans

Recognition and measurement

When an employee has rendered service to the entity during a reporting period, the entity recognises the contribution payable to a defined contribution plan in exchange for that service:

(a) as a liability (accrued expense), after deducting any contribution already paid. If the contribution already paid exceeds the contribution due for service before the end of the reporting period, the entity recognises that excess as an asset (prepaid expense) to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund; and

(b) as an expense, unless another Standard requires or permits the inclusion of the contribution in the cost of an asset. When contributions to a defined contribution plan are not expected to be settled wholly twelve months before the end of the reporting period in which the employees render the related service, they are discounted using the discount rate as specified.

Post-employment benefits: Defined benefit plans

Recognition and measurement

The entity determines the net defined benefit liability (asset) with sufficient regularity that the amounts recognised in the financial statements do not differ materially from the amounts that would be determined at the end of the reporting period.

1.18 Employee benefits (continued)

Statement of financial position

The entity recognises the net defined benefit liability (asset) in the statement of financial position. When the entity has a surplus in a defined benefit plan, it measures the net defined benefit asset at the lower of:

(a) the surplus in the defined benefit plan; and

(b) the asset ceiling, determined using the discount rate specified. Any adjustments arising from the limit are recognised in surplus or deficit.

Components of defined benefit cost

The entity recognises the components of defined benefit cost in surplus or deficit, except to the extent that another Standard requires or permits their inclusion in the cost of an asset, as follows:

(a) service cost;

(b) net interest on the net defined benefit liability (asset); and

(c) remeasurements of the net defined benefit liability (asset).

Current service cost

The entity determines current service cost using actuarial assumptions determined at the start of the reporting period. However, if the entity remeasures the net defined benefit liability (asset) in accordance with the section on Past service cost gains and losses on settlement, it determines current service cost for the remainder of the reporting period after the plan amendment, curtailment

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or settlement using the actuarial assumptions used to remeasure the net defined benefit liability (asset) in accordance with the section on Past service cost gains and losses on settlement (part b).

Net interest on the net defined benefit liability (asset)

The entity determines net interest on the net defined benefit liability (asset) by multiplying the net defined benefit liability (asset) by the discount rate specified.

To determine net interest, the entity uses the net defined benefit liability (asset) and the discount rate determined at the start of the reporting period. However, if the entity remeasures the net defined benefit liability (asset) in accordance with the section on Past service cost gains and losses on settlement, the entity determines net interest for the remainder of the reporting period after the plan amendment, curtailment or settlement using:

(a) the net defined benefit liability (asset) determined in accordance with the section on Past service cost gains and losses on settlement (part b); and

(b) the discount rate used to remeasure the net defined benefit liability (asset) in accordance with the section on Past service cost gains and losses on settlement (part b).

1.18 Employee benefits (continued)

In applying this, the entity also takes into account any changes in the net defined benefit liability (asset) during the period resulting from contributions or benefit payments.

Remeasurements of the net defined benefit liability (asset)

Remeasurements of the net defined benefit liability (asset) comprise:

(a) actuarial gains and losses;

(b) the return on plan assets, excluding amounts included in net interest on the net defined benefit liability (asset); and

(c) any change in the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability (asset).

Presentation

Other long-term employee benefits

Recognition and measurement

For other long-term employee benefits, the entity recognises the net total of the following amounts in surplus or deficit, except to the extent that another Standard requires or permits their inclusion in the cost of an asset:

(a) service cost;

(b) net interest on the net defined benefit liability (asset); and

(c) remeasurements of the net defined benefit liability (asset).

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Termination benefits Recognition

The entity recognises a liability and expense for termination benefits at the earlier of the following dates: (a) when the entity can no longer withdraw the offer of those benefits; and (b) when the entity recognises costs for a restructuring that is within the scope of GRAP 19 and involves the payment of termination benefits.

Measurement

The entity measures termination benefits on initial recognition, and measures and recognise subsequent changes, in accordance with the nature of the employee benefit, provided that if the termination benefits are an enhancement to post-employment benefits, the entity applies the requirements for post-employment benefits. Otherwise:

(a) If the termination benefits are expected to be settled wholly before twelve months after the end of the reporting period in which the termination benefit is recognised, the entity applies the requirements for short-term employee benefits.

(b) If the termination benefits are not expected to be settled wholly before twelve months after the end of the reporting period, the entity applies the requirements for other long-term employee benefits.

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1.19 Provisions and contingencies

Provisions are recognised when:

- the municipality has a present obligation as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; and
- a reliable estimate can be made of the obligation.

The amount of a provision is the best estimate of the expenditure expected to be required to settle the present obligation at the reporting date.

Where the effect of time value of money is material, the amount of a provision is the present value of the expenditures expected to be required to settle the obligation.

The discount rate is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, the reimbursement is recognised when, and only when, it is virtually certain that reimbursement will be received if the municipality settles the obligation. The reimbursement is treated as a separate asset. The amount recognised for the reimbursement does not exceed the amount of the provision.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. Provisions are reversed if it is no longer probable that an outflow of resources embodying economic benefits or service potential will be required, to settle the obligation.

Where discounting is used, the carrying amount of a provision increases in each period to reflect the passage of time. This increase is recognised as an interest expense.

A provision is used only for expenditures for which the provision was originally recognised.

Provisions are not recognised for future operating surplus.

If an entity has a contract that is onerous, the present obligation (net of recoveries) under the contract is recognised and measured as a provision.

A constructive obligation to restructure arises only when an entity:

- has a detailed formal plan for the restructuring, identifying at least:
 - the activity/operating unit or part of an activity/operating unit concerned;
 - the principal locations affected;
 - the location, function, and approximate number of employees who will be compensated for services being terminated;
 - the expenditures that will be undertaken; and
 - when the plan will be implemented; and
- 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.

A restructuring provision includes only the direct expenditures arising from the restructuring, which are those that are both:

- necessarily entailed by the restructuring; and
- not associated with the ongoing activities of the municipality

No obligation arises as a consequence of the sale or transfer of an operation until the municipality is committed to the sale or transfer, that is, there is a binding arrangement.

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After their initial recognition contingent liabilities recognised in entity combinations that are recognised separately are subsequently measured at the higher of:

- the amount that would be recognised as a provision; and
- the amount initially recognised less cumulative amortisation.

Contingent assets and contingent liabilities are not recognised. Contingencies are disclosed in note 47.

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument.

Loan commitment is a firm commitment to provide credit under pre-specified terms and conditions.

The municipality recognises a provision for financial guarantees and loan commitments when it is probable that an outflow of resources embodying economic benefits and service potential will be required to settle the obligation and a reliable estimate of the obligation can be made.

Determining whether an outflow of resources is probable in relation to financial guarantees requires judgement. Indications that an outflow of resources may be probable are:

- financial difficulty of the debtor;
- defaults or delinquencies in interest and capital repayments by the debtor;
- breaches of the terms of the debt instrument that result in it being payable earlier than the agreed term and the ability of the debtor to settle its obligation on the amended terms; and
- a decline in prevailing economic circumstances (e.g. high interest rates, inflation and unemployment) that impact on the ability of entities to repay their obligations.

Where a fee is received by the municipality for issuing a financial guarantee and/or where a fee is charged on loan commitments, it is considered in determining the best estimate of the amount required to settle the obligation at reporting date. Where a fee is charged and the municipality considers that an outflow of economic resources is probable, a municipality recognises the obligation at the higher of:

- the amount determined using in the Standard of GRAP on Provisions, Contingent Liabilities and Contingent Assets; and
- the amount of the fee initially recognised less, where appropriate, cumulative amortisation recognised in accordance with the Standard of GRAP on Revenue from Exchange Transactions.

Decommissioning, restoration and similar liability

Changes in the measurement of an existing decommissioning, restoration and similar liability that result from changes in the estimated timing or amount of the outflow of resources embodying economic benefits or service potential required to settle the obligation, or a change in the discount rate, is accounted for as follows:

If the related asset is measured using the cost model:

- changes in the liability are added to, or deducted from, the cost of the related asset in the current period.
- the amount deducted from the cost of the asset does not exceed its carrying amount. If a decrease in liability exceeds the carrying amount of the asset, the excess is recognised immediately in surplus or deficit.
- if the adjustment results in an addition to the cost of an asset, the entity considers whether this is an indication that the new carrying amount of the asset may not be fully recoverable. If there is such an indication, the entity tests the asset for impairment by estimating its recoverable amount or recoverable service amount, and account for any impairment loss, in accordance with the accounting policy on impairment of assets as described in accounting policy 1.16 and 1.17.

Significant Accounting Policies

If the related asset is measured using the revaluation model:

- changes in the liability alter the revaluation surplus or deficit previously recognised on that asset, so that:
 - a decrease in the liability is credited directly to revaluation surplus in net assets, except that it is recognised in surplus or deficit to the extent that it reverses a revaluation deficit on the asset that was previously recognised in surplus or deficit; and
 - an increase in the liability is recognised in surplus or deficit, except that it is debited directly to revaluation surplus in net assets to the extent of any credit balance existing in the revaluation surplus in respect of that asset;
- in the event that a decrease in the liability exceeds the carrying amount that would have been recognised had the asset been carried under the cost model, the excess is recognised immediately in surplus or deficit;
- a change in the liability is an indication that the asset may have to be revalued in order to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the reporting date. Any such revaluation is taken into account in determining the amounts to be taken to surplus or deficit and net assets. If a revaluation is necessary, all assets of that class is revalued; and
- the Standard of GRAP on Presentation of Financial Statements requires disclosure on the face of the statement of changes in net assets of each item of revenue or expense that is recognised directly in net assets. In complying with this requirement, the change in the revaluation surplus arising from a change in the liability is separately identified and disclosed as such.

The adjusted depreciable amount of the asset is depreciated over its useful life. Therefore, once the related asset has reached the end of its useful life, all subsequent changes in the liability is recognised in surplus or deficit as they occur. This applies under both the cost model and the revaluation model.

The periodic unwinding of the discount is recognised in surplus or deficit as a finance cost as it occurs.

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Levies

A levy is an outflow of resources embodying economic benefits that is imposed by governments on entities in accordance with legislation (i.e. laws and/or regulations), other than:

- those outflows of resources that are within the scope of other Standards, and
- fines or other penalties that are imposed for breaches of the legislation.

Government refers to government, government agencies and similar bodies whether local, national or international.

The obligating event that gives rise to a liability to pay a levy is the activity that triggers the payment of the levy, as identified by the legislation.

The municipality does not have a constructive obligation to pay a levy that will be triggered by operating in a future period as a result of the municipality being economically compelled to continue to operate in that future period. The preparation of financial statements under the going concern assumption does not imply that the municipality has a present obligation to pay a levy that will be triggered by operating in a future period.

The liability to pay a levy is recognised progressively if the obligating event occurs over a period of time (i.e. if the activity that triggers the payment of the levy, as identified by the legislation, occurs over a period of time).

If an obligation to pay a levy is triggered when a minimum threshold is reached, the corresponding liability is recognised when that minimum threshold is reached.

The municipality recognises an asset if it has prepaid a levy but does not yet have a present obligation to pay that levy.

1.20 Commitments

Items are classified as commitments when an entity has committed itself to future transactions that will normally result in the outflow of cash.

Disclosures are required in respect of unrecognised contractual commitments.

Commitments for which disclosure is necessary to achieve a fair presentation should be disclosed in a note to the financial statements, if both the following criteria are met:

- Contracts should be non-cancellable or only cancellable at significant cost (for example, contracts for computer or building maintenance services); and
- Contracts should relate to something other than the routine, steady, state business of the entity – therefore salary commitments relating to employment contracts or social security benefit commitments are excluded.

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1.21 Revenue from exchange transactions

Revenue is the gross inflow of economic benefits or service potential during the reporting period when those inflows result in an increase in net assets, other than increases relating to contributions from owners.

An exchange transaction is one in which the municipality receives assets or services, or has liabilities extinguished, and directly gives approximately equal value (primarily in the form of goods, services or use of assets) to the other party in exchange.

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

Measurement

Revenue is measured at the fair value of the consideration received or receivable, net of trade discounts and volume rebates.

The amount of revenue arising on a transaction which is statutory (non-contractual) in nature is usually measured by reference to the relevant legislation, regulation or similar means. The fee structure, tariffs or calculation basis specified in legislation, regulation or similar means is used to determine the amount of revenue that should be recognised. This amount represents the fair value, on initial measurement, of the consideration received or receivable for revenue that arises from a statutory (non- contractual) arrangement (see the accounting policy on Statutory Receivables).

Sale of goods

Revenue from the sale of goods is recognised when all the following conditions have been satisfied:

- the municipality has transferred to the purchaser the significant risks and rewards of ownership of the goods;
- the municipality retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits or service potential associated with the transaction will flow to the municipality; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction is recognised by reference to the stage of completion of the transaction at the reporting date. The outcome of a transaction can be estimated reliably when all the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the economic benefits or service potential associated with the transaction will flow to the municipality;
- the stage of completion of the transaction at the reporting date can be measured reliably; and
- the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

1.21 Revenue from exchange transactions (continued)

When services are performed by an indeterminate number of acts over a specified time frame, revenue is recognised on a straight-line basis over the specified time frame unless there is evidence that some other method better represents the stage of completion. When a specific act is much more significant than any other acts, the recognition of revenue is postponed until the significant act is executed.

When the outcome of the transaction involving the rendering of services cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

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Interest, royalties and dividends

Revenue arising from the use by others of entity assets yielding interest, royalties and dividends or similar distributions is recognised when:

- It is probable that the economic benefits or service potential associated with the transaction will flow to the municipality, and
- The amount of the revenue can be measured reliably.

Interest is recognised using the effective interest rate method for financial instruments and using the nominal interest rate method for statutory receivables. Interest levied on transactions arising from exchange or non-exchange transactions is classified based on the nature of the underlying transaction.

Royalties are recognised as they are earned in accordance with the substance of the relevant agreements.

Dividends or similar distributions are recognised, in surplus or deficit, when the municipality's right to receive payment has been established.

Service fees included in the price of the product are recognised as revenue over the period during which the service is performed.

1.22 Revenue from non-exchange transactions

Revenue comprises gross inflows of economic benefits or service potential received and receivable by a municipality, which represents an increase in net assets, other than increases relating to contributions from owners.

Conditions on transferred assets are stipulations that specify that the future economic benefits or service potential embodied in the asset is required to be consumed by the recipient as specified or future economic benefits or service potential must be returned to the transferor.

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1.22 Revenue from non-exchange transactions (continued)

Control of an asset arises when the municipality can use or otherwise benefit from the asset in pursuit of its objectives and can exclude or otherwise regulate the access of others to that benefit.

Exchange transactions are transactions in which one entity receives assets or services, or has liabilities extinguished, and directly gives approximately equal value (primarily in the form of cash, goods, services, or use of assets) to another entity in exchange.

Expenses paid through the tax system are amounts that are available to beneficiaries regardless of whether or not they pay taxes.

Fines are economic benefits or service potential received or receivable by entities, as determined by a court or other law enforcement body, as a consequence of the breach of laws or regulations.

Non-exchange transactions are transactions that are not exchange transactions. In a non-exchange transaction, a municipality either receives value from another municipality without directly giving approximately equal value in exchange or gives value to another municipality without directly receiving approximately equal value in exchange.

Restrictions on transferred assets are stipulations that limit or direct the purposes for which a transferred asset may be used, but do not specify that future economic benefits or service potential is required to be returned to the transferor if not deployed as specified.

Stipulations on transferred assets are terms in laws or regulation, or a binding arrangement, imposed upon the use of a transferred asset by entities external to the reporting municipality.

Tax expenditures are preferential provisions of the tax law that provide certain taxpayers with concessions that are not available to others.

The taxable event is the event that the government, legislature or other authority has determined will be subject to taxation.

Taxes are economic benefits or service potential compulsorily paid or payable to entities, in accordance with laws and or regulations, established to provide revenue to government. Taxes do not include fines or other penalties imposed for breaches of the law.

Transfers are inflows of future economic benefits or service potential from non-exchange transactions, other than taxes.

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Recognition

An inflow of resources from a non-exchange transaction recognised as an asset is recognised as revenue, except to the extent that a liability is also recognised in respect of the same inflow.

As the municipality satisfies a present obligation recognised as a liability in respect of an inflow of resources from a non-exchange transaction recognised as an asset, it reduces the carrying amount of the liability recognised and recognises an amount of revenue equal to that reduction.

Measurement

Revenue from a non-exchange transaction is measured at the amount of the increase in net assets recognised by the municipality.

When, as a result of a non-exchange transaction, the municipality recognises an asset, it also recognises revenue equivalent to the amount of the asset measured at its fair value as at the date of acquisition, unless it is also required to recognise a liability. Where a liability is required to be recognised it will be measured as the best estimate of the amount required to settle the obligation at the reporting date, and the amount of the increase in net assets, if any, recognised as revenue. When a liability is subsequently reduced, because the taxable event occurs or a condition is satisfied, the amount of the reduction in the liability is recognised as revenue.

Receivables that arise from statutory (non-contractual) arrangements are initially measured in accordance with this accounting policy, as well as the accounting policy on Statutory Receivables. The entity applies the accounting policy on Statutory Receivables for the subsequent measurement, derecognition, presentation and disclosure of statutory receivables.

Interest is recognised using the effective interest rate method for financial instruments and using the nominal interest rate method for statutory receivables. Interest levied on transactions arising from exchange or non-exchange transactions is classified based on the nature of the underlying transaction.

Construction contract revenue

The municipality recognises revenue from construction contract when:

When the outcome of a construction contract can be estimated reliably, contract revenue and contract costs associated with the construction contract shall be recognised as revenue and expenses respectively by reference to the stage of completion of the contract activity at the reporting date. An expected deficit on a construction contract shall be recognised as an expense immediately.

In the case of a fixed price contract, the outcome of a construction contract can be estimated reliably when all the following conditions are satisfied:

- (a) total contract revenue, if any, can be measured reliably;
- (b) it is probable that the economic benefits or service potential associated with the contract will flow to the entity;
- (c) both the contract costs to complete the contract and the stage of contract completion at the reporting date can be measured reliably; and
- (d) the contract costs attributable to the contract can be clearly identified and measured reliably so that actual contract costs incurred can be compared with prior estimates.

In the case of a cost plus or cost-based contract, the outcome of a construction contract can be estimated reliably when all the following conditions are satisfied:

- (a) it is probable that the economic benefits or service potential associated with the contract will flow to the entity;
- (b) the contract costs attributable to the contract, whether or not specifically reimbursable, can be clearly identified and measured reliably.

The stage of completion of a contract may be determined in a variety of ways. The entity uses the method that measures reliably the work performed. Depending on the nature of the contract, the methods may include:

- (a) the proportion that contract costs incurred for work performed to date bear to the estimated total contract
- (b) surveys of work performed; or
- (c) completion of a physical proportion of the contract work.

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Transfers

Apart from Services in kind, which are not recognised, the municipality recognises an asset in respect of transfers when the transferred resources meet the definition of an asset and satisfy the criteria for recognition as an asset.

The municipality recognises an asset in respect of transfers when the transferred resources meet the definition of an asset and satisfy the criteria for recognition as an asset.

Transferred assets are measured at their fair value as at the date of acquisition.

Fines

Fines are recognised as revenue at the transaction date as per iGRAP 1.

Assets arising from fines are measured at the best estimate of the inflow of resources to the municipality.

Where the municipality collects fines in the capacity of an agent, the fine will not be revenue of the collecting entity.

Gifts and donations, including goods in-kind

Gifts and donations, including goods in kind, are recognised as assets and revenue when it is probable that the future economic benefits or service potential will flow to the municipality and the fair value of the assets can be measured reliably.

1.23 Investment income

Investment income is recognised on a time-proportion basis using the effective interest method.

1.24 Borrowing costs

Borrowing costs are interest and other expenses incurred by an entity in connection with the borrowing of funds.

Borrowing costs are recognised as an expense in the period in which they are incurred.

1.25 Accounting by principals and agents Identification

An agent is an entity that has been directed by another entity (a principal), through a binding arrangement, to undertake transactions with third parties on behalf of the principal and for the benefit of the principal.

A principal is an entity that directs another entity (an agent), through a binding arrangement, to undertake transactions with third parties on its behalf and for its own benefit.

A principal-agent arrangement results from a binding arrangement in which one entity (an agent), undertakes transactions with third parties on behalf, and for the benefit of, another entity (the principal).

Identifying whether an entity is a principal or an agent

When the municipality is party to a principal-agent arrangement, it assesses whether it is the principal or the agent in accounting for revenue, expenses, assets and/or liabilities that result from transactions with third parties undertaken in terms of the arrangement.

The assessment of whether a municipality is a principal or an agent requires the municipality to assess whether the transactions it undertakes with third parties are for the benefit of another entity or for its own benefit.

Binding arrangement

The municipality assesses whether it is an agent or a principal by assessing the rights and obligations of the various parties established in the binding arrangement. Where the terms of a binding arrangement are modified, the parties to the arrangement re-assess whether they act as a principal or an agent.

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Accounting by principals and agents (continued)

Assessing which entity benefits from the transactions with third parties

When the municipality in a principal-agent arrangement concludes that it undertakes transactions with third parties for the benefit of another entity, then it is the agent. If the municipality concludes that it is not the agent, then it is the principal in the transactions.

The municipality is an agent when, in relation to transactions with third parties, all three of the following criteria are present:

- It does not have the power to determine the significant terms and conditions of the transaction.
- It does not have the ability to use all, or substantially all, of the resources that result from the transaction for its own benefit.
- It is not exposed to variability in the results of the transaction.

Where the municipality has been granted specific powers in terms of legislation to direct the terms and conditions of particular transactions, it is not required to consider the criteria of whether it does not have the power to determine the significant terms and conditions of the transaction, to conclude that it is an agent. The municipality applies judgement in determining whether such powers exist and whether they are relevant in assessing whether the municipality is an agent.

Recognition

The municipality, as a principal, recognises revenue and expenses that arise from transactions with third parties in a principal-agent arrangement in accordance with the requirements of the relevant Standards of GRAP.

The municipality, as an agent, recognises only that portion of the revenue and expenses it receives or incurs in executing the transactions on behalf of the principal in accordance with the requirements of the relevant Standards of GRAP.

The municipality recognises assets and liabilities arising from principal-agent arrangements in accordance with the requirements of the relevant Standards of GRAP.

1.26 Comparative figures

Where necessary, comparative figures have been reclassified to conform to changes in presentation in the current year.

1.27 Unauthorised expenditure

Unauthorised expenditure means:

- overspending of a vote or a main division within a vote; and
- expenditure not in accordance with the purpose of a vote or, in the case of a main division, not in accordance with the purpose of the main division.

Unauthorised expenditure is accounted for in line with all relating requirements, including, but not limited to, ruling Legislation, Regulations, Frameworks, Circulars, Instruction Notes, Practice Notes, Guidelines etc (as applicable).

1.28 Fruitless and wasteful expenditure

Fruitless expenditure means expenditure which was made in vain and would have been avoided had reasonable care been exercised.

Fruitless and wasteful expenditure is accounted for in line with all relating requirements, including, but not limited to, ruling Legislation, Regulations, Frameworks, Circulars, Instruction Notes, Practice Notes, Guidelines etc (as applicable).

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1.29 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), and the Public Office Bearers Act (Act No. 20 of 1998) or is in contravention of the economic municipality's supply chain management policy. Irregular expenditure is accounted for in line with all relating requirements, including, but not limited to, ruling Legislation, Regulations, Frameworks, Circulars, Instruction Notes, Practice Notes, Guidelines etc (as applicable).

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1.30 Housing development fund

The Housing Development Fund was established in terms of the Housing Act, (Act No. 107 of 1997). Loans from national and provincial government used to finance housing selling schemes undertaken by the municipality were extinguished on 1 April 1998 and transferred to a Housing Development Fund. Housing selling schemes, both complete and in progress as of 1 April 1998, were also transferred to the Housing Development Fund. In terms of the Housing Act, all proceeds from housing developments, which include rental income and sales of houses, must be paid into the Housing Development Fund. Monies standing to the credit of the Housing Development Fund can be used only to finance housing developments within the municipal area subject to the approval of the Provincial MEC responsible for housing.

1.31 Segment information

A segment is an activity of an entity:

- that generates economic benefits or service potential (including economic benefits or service potential relating to transactions between activities of the same entity).
- whose results are regularly reviewed by management to make decisions about resources to be allocated to that activity and in assessing its performance; and
- for which separate financial information is available.

Reportable segments are the actual segments which are reported on in the segment report. They are the segments identified above or alternatively an aggregation of two or more of those segments where the aggregation criteria are met.

Measurement

The amount of each segment item reported is the measure reported to management for the purposes of making decisions about allocating resources to the segment and assessing its performance. Adjustments and eliminations made in preparing the entity's financial statements and allocations of revenues and expenses are included in determining reported segment surplus or deficit only if they are included in the measure of the segment's surplus or deficit that is used by management. Similarly, only those assets and liabilities that are included in the measures of the segment's assets and segment's liabilities that are used by management are reported for that segment. If amounts are allocated to reported segment surplus or deficit, assets or liabilities, those amounts are allocated on a reasonable basis.

If management uses only one measure of a segment's surplus or deficit, the segment's assets or the segment's liabilities in assessing segment performance and deciding how to allocate resources, segment surplus or deficit, assets and liabilities are reported in terms of that measure. If management uses more than one measure of a segment's surplus or deficit, the segment's assets or the segment's liabilities, the reported measures are those that management believes are determined in accordance with the measurement principles most consistent with those used in measuring the corresponding amounts in the entity's financial statements.

1.32 Budget information

Municipality are typically subject to budgetary limits in the form of appropriations or budget authorisations (or equivalent), which is given effect through authorising legislation, appropriation or similar.

General purpose financial reporting by municipality shall provide information on whether resources were obtained and used in accordance with the legally adopted budget.

The approved budget is prepared on an accrual basis and presented by economic classification linked to performance outcome objectives.

The approved budget covers the fiscal period from 2021/07/01 to 2024/06/30.

The budget for the economic entity includes all the entities approved budgets under its control.

The annual financial statements and the budget are on the same basis of accounting therefore a comparison with the budgeted amounts for the reporting period have been included in the Statement of comparison of budget and actual amounts.

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1.33 Related parties

A related party is a person or an entity with the ability to control or jointly control the other party, or exercise significant influence over the other party, or vice versa, or an entity that is subject to common control, or joint control.

Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

Joint control is the agreed sharing of control over an activity by a binding arrangement and exists only when the strategic financial and operating decisions relating to the activity require the unanimous consent of the parties sharing control (the venturers).

Related party transaction is a transfer of resources, services or obligations between the reporting entity and a related party, regardless of whether a price is charged.

Significant influence is the power to participate in the financial and operating policy decisions of an entity but is not control over those policies.

Management are those persons responsible for planning, directing and controlling the activities of the municipality, including those charged with the governance of the municipality in accordance with legislation, in instances where they are required to perform such functions.

Close members of the family of a person are those family members who may be expected to influence or be influenced by that person in their dealings with the municipality.

The municipality is exempt from disclosure requirements in relation to related party transactions if that transaction occurs within normal supplier and/or client/recipient relationships on terms and conditions no more or less favourable than those which it is reasonable to expect the municipality to have adopted if dealing with that individual entity or person in the same circumstances and terms and conditions are within the normal operating parameters established by that reporting entity's legal mandate.

Where the municipality is exempt from the disclosures in accordance with the above, the municipality discloses narrative information about the nature of the transactions and the related outstanding balances, to enable users of the entity's financial statements to understand the effect of related party transactions on its annual financial statements.

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Significant Accounting Policies

1.34 Events after reporting date

Events after reporting date are those events, both favourable and unfavourable, that occur between the reporting date and the date when the financial statements are authorised for issue. Two types of events can be identified:

- those that provide evidence of conditions that existed at the reporting date (adjusting events after the reporting date); and
- those that are indicative of conditions that arose after the reporting date (non-adjusting events after the reporting date).

The municipality will adjust the amount recognised in the financial statements to reflect adjusting events after the reporting date once the event occurred.

The municipality will disclose the nature of the event and an estimate of its financial effect or a statement that such estimate cannot be made in respect of all material non-adjusting events, where non-disclosure could influence the economic decisions of users taken on the basis of the financial statements.

1.35 Significant events

According to GRAP 1 on presentation of financial statements, municipalities are required to disclosure of significant events or transactions that may impact the municipality's financial position or performance.

Labour unrest

On the 15th of September 2024, an arbitration award was issued by the South African Local Government Bargaining Council (SALGBC), which ordered Ray Nkonyeni Municipality to pay employees compensation equivalent to six months' salary for unfair labour practice. Subsequently, the employees embarked on a strike, demanding payment as per the arbitration award. The strike lasted for approximately three months.

On the 3rd of March 2025, the municipality entered into an out of court settlement agreement with SAMWU, wherein both parties consented to a compensation arrangement equivalent to four months' salary. The agreed amount was to be paid in three instalments: the first instalment, comprising two months' salary, was disbursed in March 2025, while the remaining two months will be paid during the 2025/26 financial year-specifically in December 2025 and March 2026.

The above resulted in the following:

- Increase in employee cost (Note 31)
- Unauthorized expenditure (Note 59)
- Increase in liabilities
- Loss of assets (Note 4)

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Figures in Rand	2025	2024

2. New standards and interpretations

2.1 Standards and interpretations effective and adopted in the current year

The municipality has adopted the following standards and interpretations that are effective for the current financial year and that are relevant to its operations:

Standard/ Interpretation:	Effective date: Years beginning on or after	Expected impact:
iGRAP 21: The Effect of Past Decisions on Materiality	01 April 2023	The impact of the is not material.
GRAP 25 (as revised): Employee Benefits	01 April 2023	The impact of the is not material.
iGRAP 7 (as revised): Limit on defined benefit assets, minimum funding requirements and their interaction	01 April 2023	The impact of the is not material.
GRAP 2020: Improvements to the Standards of GRAP 2020	01 April 2023	The impact of the is not material.
Guideline: Guideline on Accounting for Landfill Sites	01 April 2023	The impact of the is not material.
GRAP 1 (amended): Presentation of Financial Statements (Materiality)	01 April 2023	The impact of the is not material.

2.2 Standards and interpretations issued, but not yet effective

The municipality has not applied the following standards and interpretations, which have been published and are mandatory for the municipality's accounting periods beginning on or after 01 July 2024 or later periods:

Standard/ Interpretation:	Effective date: Years beginning on or after	Expected impact:
GRAP 2023 Improvements to the Standards of GRAP 2023	01 April 2025	Unlikely there will be a material impact
GRAP 1 (amended): Presentation of Financial Statements (Going Concern)	01 April 2025	Unlikely there will be a material impact
GRAP 103 (as revised): Heritage Assets	01 April 2025	Unlikely there will be a material impact
iGRAP 22 Foreign Currency Transactions and Advance Consideration	01 April 2025	Unlikely there will be a material impact
GRAP 104 (as revised): Financial Instruments	01 April 2025	Unlikely there will be a material impact

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Figures in Rand

3. Investment property

	2025			2024		
	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value
Investment property	430,436,383	-	430,436,383	395,052,475	-	395,052,475

Reconciliation of investment property - 2025

	Opening balance	Additions	Donations received	Fair value adjustments	Total
Investment property	395,052,475	377,932	5,841,411	29,164,565	430,436,383

Reconciliation of investment property - 2024

	Opening balance	Additions	Fair value adjustments	Total
Investment property	351,341,653	4,974,225	38,736,597	395,052,475

A register containing the information required by section 63 of the Municipal Finance Management Act is available for inspection at the registered office of the municipality

Investment Properties categories

Business and Commercial	5,873,000	5,872,000
Institutional	19,511,649	19,066,000
Recreational Facilities	81,998,992	82,854,000
Vacant Land	322,985,742	287,193,475
Childcare Facilities	67,000	67,000
	430,436,383	395,052,475

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3. Investment property (continued)

During the 2025 financial year, Ray Nkonyeni Municipality conducted a valuation of its investment properties. The effective date of the valuations was Monday, 30 June 2025. Valuations were performed by an independent valuer, N.G. Nkwanyana SACPVP Professional Valuer (No.6995/7), from Real Estate Diverse Solutions (Pty) Ltd, in terms of Section 20(2)a of the Property Valuers Profession Act 2000.

Evaluations Property Intelligence is not connected to the municipality and have recent experience in location and category of the investment property being valued.

Method of valuation

The valuation was based on market value of real estate, and the valuer used the direct sales comparison approach for the majority of properties, however the cost and income approach was also used.

Key assumptions made in the valuation of investment property were as follows:

This method involves an analysis of recent sales of similar or comparable properties. It is based on the simple notion that if a property is sold in the open market, at a certain price, then an identical property would sell at the same price. Since no two properties are identical, and can never have the same location, necessary comparisons and adjustments must be made to determine the actual value of a particular property.

There was no property interests held under an operating lease that have been classified as Investment property.

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Amounts recognised in surplus or deficit

Rental revenue from Investment property	3,616,599	3,263,945
Fair value adjustment	29,164,565	38,736,597

Figures in Rand

4. Property, plant and equipment

	2025			2024		
	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value
Land	106,942,132	-	106,942,132	106,942,132	-	106,942,132
Plant and machinery	9,625,155	(6,359,633)	3,265,522	10,005,325	(6,480,683)	3,524,642
Furniture and fixtures	28,630,688	(23,757,251)	4,873,437	28,383,474	(22,935,915)	5,447,559
Motor vehicles	200,355,497	(71,178,626)	129,176,871	173,454,209	(61,708,391)	111,745,818
IT equipment	32,508,209	(18,113,406)	14,394,803	28,816,563	(15,392,696)	13,423,867
Infrastructure	2,470,111,737	1,365,038,062	1,105,073,675	2,358,092,304	1,305,008,518	1,053,083,786
Community	1,185,562,608	(587,385,726)	598,176,882	1,164,895,931	(556,062,645)	608,833,286
Total	4,033,736,026	(2,071,832,704)	1,961,903,322	3,870,589,938	(1,967,588,848)	1,903,001,090

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Property, plant and equipment (continued)

Reconciliation of property, plant and equipment - 2025

	Opening balance	Additions	Disposals		Depreciation	Impairment loss	Total
Land	106,942,132						106,942,132
Plant and machinery	3,524,642	700,761	(340)	-	(959,541)	-	3,265,522
Furniture and fixtures	5,447,559	466,166	(11,269)	-	(1,029,019)	-	4,873,437
Motor vehicles	111,745,818	30,242,449	(226,151)	-	(12,476,815)	(108,430)	129,176,871
IT equipment	13,423,867	4,305,797	(34,456)	-	(3,300,405)	-	14,394,803
Infrastructure	1,053,083,786	118,691,940	(1,674,702)	-	(48,809,418)	(16,217,931)	1,105,073,675
Community	608,833,286	25,257,459	(930,681)	-	(24,871,806)	(10,111,376)	598,176,882
	1,903,001,090	179,664,572	(2,877,599)	-	(91,447,004)	(26,437,737)	1,961,903,322

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4. Property, plant and equipment (continued)

Reconciliation of property, plant and equipment - 2024

	Opening balance	Additions	Disposals	Depreciation	Impairment loss	Total
Land	106,942,132	-	-	-	-	106,942,132
Plant and machinery	3,991,095	655,242	(375)	(1,121,320)	-	3,524,642
Furniture and fixtures	6,399,293	420,708	(17,388)	(1,355,054)	-	5,447,559
Motor vehicles	64,710,610	59,678,698	(762,639)	(12,016,524)	135,673	111,745,818
IT equipment	13,402,772	3,865,387	(65,291)	(3,779,001)	-	13,423,867
Infrastructure	962,359,280	170,361,236	(3,119,962)	(43,866,437)	(32,650,331)	1,053,083,786
Community	616,583,122	25,351,720	(918,363)	(26,488,751)	(5,694,442)	608,833,286
	1,774,388,304	260,332,991	(4,884,018)	(88,627,087)	(38,209,100)	1,903,001,090

Additional Information.

Additions to Property Plant and Equipment include assets under finance lease agreement, Insurance replacements, Donations, payables and accruals included in note 15.

Pledged as security

There are no items of PPE that are pledged as security.

Compensation received for losses on property, plant and equipment – included in operating profit.

Furniture and fixtures	116,696	-
Motor vehicles	763,478	97,953
IT equipment	125,396	49,596
Community	239,188	-
	1,244,758	147,549

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4. Property, plant and equipment (continued)

Assets subject to finance lease (Net carrying amount)

Motor vehicles	112,802,995	93,673,939

Non-Cash Additions to Property plants and equipment

Additions Property Plant and Equipment Include

Finance Lease assets	30,242,448	59,678,698
Insurance Replacements	100,634	28,498
Donations	711,317	76,773
Landfill site	-	3,906,234
Payables and Accruals related to PPE	547,647	4,596,356
	31,602,046	68,286,559

Property, plant and equipment in the process of being constructed or developed

Cumulative expenditure recognised in the carrying value of property, plant and equipment

Infrastructure	64,077,689	44,364,733
Community	36,096,376	24,229,889
	100,174,065	68,594,622

Carrying value of property, plant and equipment that is taking a significantly longer period of time to complete than expected

Included within Infrastructure Assets	1,254,600	-
Projects were put on hold due to budget reprioritisation. Impairment amount recognised R6 089 181		
Included within Community Assets	4,653,575	9,091,193
Projects were put on hold due to budget reprioritisation. Impairment amount recognised R4 437 463		
	5,908,175	9,091,193

Reconciliation of Work-in-Progress 2025

	Included within Infrastructure	Included within Community	Total
Opening balance	44,364,733	24,229,889	68,594,622
Additions/capital expenditure	118,691,939	25,257,456	143,949,395
Transferred to completed items	(92,889,802)	(8,953,505)	(101,843,307)
Impairment	(6,089,181)	(4,437,463)	(10,526,644)
	64,077,689	36,096,377	100,174,066

Reconciliation of Work-in-Progress 2024

	Included within Infrastructure	Included within Community	Total
Opening balance	74,513,540	36,521,052	111,034,592
Additions/capital expenditure	174,267,480	25,083,123	199,350,603
Transferred to completed items	(201,693,153)	(36,790,854)	(238,484,007)
Write-offs	(2,723,134)	(583,432)	(3,306,566)
	44,364,733	24,229,889	68,594,622

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4. Property, plant and equipment (continued)		
Expenditure is incurred to repair and maintain property, plant and equipment		
Expenditure incurred to repair and maintain property, plant and equipment included in Statement of Financial Performance		
Maintenance of Property, Plant and Equipment	137,462,255	125,586,075

A register containing the information required by section 63 of the Municipal Finance Management Act is available for inspection at the registered office of the municipality.

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5. Intangible assets

	2025			2024		
	Cost / Valuation	Accumulated amortisation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated amortisation and accumulated impairment	Carrying value
Computer software, other	2,378,475	(2,163,289)	215,186	2,549,152	(2,205,620)	343,532

Reconciliation of intangible assets - 2025

	Opening balance	Additions	Disposals	Amortisation	Total
Computer software, other	343,532	-	-	(128,346)	215,186

Reconciliation of intangible assets - 2024

	Opening balance	Amortisation	Total
Computer software, other	489,221	(145,689)	343,532

Pledged as security

There are no items of intangible assets pledged as security:

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6. Heritage assets

	2025			2024		
	Cost / Valuation	Accumulated impairment losses	Carrying value	Cost / Valuation	Accumulated impairment losses	Carrying value
Art Collections, antiquities and exhibits	2,683,913	(224,215)	2,459,698	2,571,813	(224,215)	2,347,598

Reconciliation of heritage assets 2025

	Opening balance	Additions	Disposals	Donations received	Total
Art Collections, antiquities and exhibits	2,347,598	50,000	-	62,100	2,459,698

Reconciliation of heritage assets 2024

	Opening balance	Additions	Donations received	Impairment losses recognised	Total
Art Collections, antiquities and exhibits	2,210,022	98,575	40,551	(1,550)	2,347,598

Heritage assets borrowed from other entities

Durban Local History Museums and KZN Museum Service Collection have loaned Ray Nkonyeni Municipality Port Shepstone Museum selected artifacts.

KZN Museum Services and Natal Arts Trust have loaned Ray Nkonyeni Municipality Margate Museum selected artifacts.

The terms and conditions are as follows:

The municipality is required to ensure adequate security and safeguarding of the artifacts.

The municipality does not own the artifacts, but will retain the artifacts until the end of the borrowed period.

Pledged as security

There are no items of heritage assets pledged as security:

7. Inventories

Consumable stores	5,550,275	10,621,268

Inventory pledged as security

There are no items of Inventory pledged as security

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8. Receivables from exchange transactions		
Employee costs in advance	911,693	9,514,400
Prepayments	6,153,588	5,935,534
Deposits	2,750,635	2,750,635
Sundry debtors	6,791,285	9,483,120
Accrued Revenue: Agency Services	2,343,375	1,019,312
Consumer debtors - Electricity	8,700,975	6,964,273
Consumer debtors - Service Charges	1,360,215	1,147,251
Consumer debtors - Refuse	13,077,663	11,127,801
Consumer debtors - Other	777,560	673,923
	42,866,989	48,616,249
9. Receivables from non-exchange transactions		
Fines	514,000	1,140,232
Receivables from Government entities	2,719,278	3,713,242
Consumer debtors -Property Rates	69,487,611	59,062,860
	72,720,889	63,916,334
Statutory receivables included in receivables from non-exchange transactions above are as follows:		
Property Rates	69,487,611	59,062,860
Fines	514,000	1,140,232
	70,001,611	60,203,092
Financial asset receivables included in receivables from non-exchange transactions above	2,719,278	3,713,242
Total receivables from non-exchange transactions	72,720,889	63,916,334

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Receivables from non-exchange transactions (continued)

Statutory receivables general information

Transaction(s) arising from statute

Property rates

The municipality charges property rates in accordance with the Municipal Property rates Act, 2004 (6 of 2004).

Traffic fines

The municipality imposes traffic fines to offenders in accordance with the National Road Traffic Act, 1996 (93 of 1996).

Determination of transaction amount

The transaction amount for Property rates and Traffic fines is determined in accordance with GRAP 23 on revenue from non-exchange transactions.

Interest or other charges levied/charged

Interest on Property rates has been charged at 11.25% in accordance with the approved tariffs of the municipality. There is no interest charged on traffic fines debtors.

Basis used to assess and test whether a statutory receivable is impaired

Statutory receivables are assessed for impairment in accordance with GRAP 108. Refer to the impairment methodology document.

Discount rate applied to the estimated future cash flows

Management used current year effective interest rate of 11.50% to discount future cash flows as per Gazette 51499, nr 2916 of 2024

Statutory receivables past due considered for impairment between 0-365 days Statutory receivables past due considered for impairment between 0-365 days

Statutory receivables which are less than 1 year past due and considered for impairment. At 30 June 2025, -R158 723 225 (2024: R143 637 308).

The ageing of amounts past due and considered for impairment between 0-365 days is as follows:

Current (0-30 days)	3,929,095	1,916,336
31-60 days	3,350,176	3,787,393
61-90 days	18,248,834	16,668,737
91-120 days	14,689,503	14,061,861
121-365 days	118,505,617	107,202,981

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Receivables from non-exchange transactions (continued)

Statutory receivables impaired

As of 30 June 2025, Gross Statutory receivables were 625 854 622- (2024: 542 538 317).

The provision for impairment was 555,853,010as of 30 June 2025 (2024: 482,335,224).

The balance of ageing above 365 days is as follows:

>365 days	449,815,702	381,188,544

Methodology considered in assessing traffic fines impaired

The methodology for calculating impairment for traffic fines was based on the average collection rate.

Reconciliation of provision for impairment for statutory receivables

Opening balance	482,335,224	417,686,742
Provision for impairment property rates	55,576,330	45,837,853
Provision for impairment fines	17,941,456	18,810,629
	555,853,010	482,335,224

Receivables from non-exchange transactions pledged as security

There were no receivables from non-exchange transactions that were pledged as security.

10. Consumer debtors disclosure

Gross balances

Consumer debtors - Rates	510,354,577	444,353,496
Consumer debtors - Electricity	63,904,665	52,395,014
Consumer debtors - Service charges	9,990,157	8,631,225
Consumer debtors - Refuse	96,049,426	83,718,890
Consumer debtors - Other	5,710,823	5,070,192
	686,009,648	594,168,817

Less: Allowance for impairment

Consumer debtors - Rates	(440,866,966)	(385,290,636)
Consumer debtors - Electricity	(55,203,690)	(45,430,741)
Consumer debtors - Service charges	(8,629,942)	(7,483,974)
Consumer debtors - Refuse	(82,971,763)	(72,591,089)
Consumer debtors - Other	(4,933,263)	(4,396,269)
	(592,605,624)	(515,192,709)

Net balance

Consumer debtors - Rates	69,487,611	59,062,860
Consumer debtors - Electricity	8,700,975	6,964,273
Consumer debtors - Service charges	1,360,215	1,147,251
Consumer debtors - Refuse	13,077,663	11,127,801
Consumer debtors - Other	777,560	673,923
	93,404,024	78,976,108

Statutory receivables included in consumer debtors above are as follows:

Property Rates	69,487,611	59,062,860

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10. Consumer debtors disclosure (continued)		
Financial asset receivables included in consumer debtors above	23,916,413	19,913,248
Total consumer debtors	93,404,024	78,976,108
Included in above is receivables from exchange transactions		
Electricity	8,700,975	6,964,273
Service charges	1,360,215	1,147,251
Refuse	13,077,663	11,127,801
Other	777,560	673,923
	23,916,413	19,913,248
Included in above is receivables from non-exchange transactions (taxes and transfers)		
Rates	69,487,611	59,062,860
Net balance	93,404,024	78,976,108
Rates		
Current (0 -30 days)	534,965	254,717
31 - 60 days	456,143	503,415
61 - 90 days	2,484,666	2,215,586
91 - 120 days	2,000,046	1,869,083
121 - 365 days	16,135,104	14,249,274
> 365 days	47,876,687	39,970,785
	69,487,611	59,062,860
Electricity		
Current (0 -30 days)	2,715,877	2,512,824
31 - 60 days	1,618,913	1,053,409
61 - 90 days	427,125	335,945
91 - 120 days	273,362	167,971
121 - 365 days	1,238,371	988,929
> 365 days	2,427,327	1,905,195
	8,700,975	6,964,273
Service Charges		
Current (0 -30 days)	39,924	53,836
31 - 60 days	21,184	32,703
61 - 90 days	13,549	19,994
91 - 120 days	10,419	50,451
121 - 365 days	277,486	91,463
> 365 days	997,653	898,804
	1,360,215	1,147,251

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10. Consumer debtors' disclosure (continued)		
Refuse		
Current (0 -30 days)	147,117	14,313
31 - 60 days	75,438	66,404
61 - 90 days	401,012	381,470
91 - 120 days	361,565	326,436
121 - 365 days	2,713,810	2,306,242
> 365 days	9,378,721	8,032,936
	13,077,663	11,127,801
Other		
Current (0 -30 days)	23,892	28,059
31 - 60 days	13,166	14,337
61 - 90 days	9,648	12,026
91 - 120 days	9,146	8,160
121 - 365 days	83,340	21,359
> 365 days	638,368	589,982
	777,560	673,923

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10. Consumer debtors disclosure (continued)		
Summary of debtors by customer classification		
Households		
Current (0 -30 days)	9,946,652	9,160,713
31 - 60 days	5,817,135	5,323,496
61 - 90 days	16,364,907	15,161,367
91 - 120 days	13,956,081	13,067,483
121 - 365 days	96,963,948	83,937,099
> 365 days	336,018,610	290,916,639
	479,067,333	417,566,797
Less: Allowance for impairment	(441,753,206)	(385,325,116)
	37,314,127	32,241,681
Business / commercial		
Current (0 -30 days)	13,600,782	10,625,575
31 - 60 days	9,249,813	6,156,689
61 - 90 days	6,143,141	6,009,483
91 - 120 days	4,670,630	4,151,962
121 - 365 days	27,332,026	23,718,275
> 365 days	78,904,415	73,397,640
	139,900,807	124,059,624
Less: Allowance for impairment	(108,224,111)	(89,871,488)
	31,676,696	34,188,136
National and provincial government		
Current (0 -30 days)	1,898,658	1,493,836
31 - 60 days	980,540	1,085,908
61 - 90 days	1,997,418	1,136,195
91 - 120 days	873,694	1,002,999
121 - 365 days	25,926,289	25,452,307
> 365 days	35,364,909	22,371,150
	67,041,508	52,542,395
Less: Allowance for impairment	(42,628,306)	(39,996,105)
	24,413,202	12,546,290
11. VAT receivable		
VAT	35,369,128	58,990,915
12. Cash and cash equivalents		
Cash and cash equivalents consist of:		
Cash on hand	26,218	26,657
Bank balances	(4,788,777)	8,097,157
Short-term deposits	18,521,048	18,688,277
Cash and cash equivalent held on behalf of department of human settlements	33,242,603	39,593,077
	47,001,092	66,405,168

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12. C a s h and cash equivalents (continued)

The municipality had the following bank accounts

Account number / description	Bank statement balances		Cash book balances	
	30 June 2025	30 June 2024	30 June 2025	30 June 2024
FNB-Primary account-62723734134	5,662,173	33,038,287	(8,512,114)	5,228,661
First National Bank-Salaries-62730321007	547,006	3,416	547,006	3,416
Standard Bank- KwaNdwalane Housing	-	597,847	-	597,847
Standard Bank- KwaXolo Housing	-	13,194,980	-	13,194,980
Standard Bank- KwaMavundla HSG -378692984013	-	277,853	-	277,853
Standard Bank- Masinenge HSG- 378692984013	-	6,464,735	-	6,464,735
Nedbank-Reserve Investment Account - 037881000791	21,205,682	20,903,458	21,205,682	20,903,458
Standard Bank- RNM Unspent Conditional Grants-378692984016	-	55,814	-	55,814
Standard Bank -RNM Accreditation Funds- 37869284017	-	12,329	-	12,329
First National Bank-Primary investment account-62726614151	429,144	522,900	429,144	522,900
FNB- TRAFFIC FINES ACCOUNT- 6230321669	62,553	58,855	62,553	58,855
FNB- 48 HOUR CASH ACCELERATOR- 74873852518	4,218,415	3,910,860	4,218,415	3,910,860
Standard Bank - Louisiana HSG -378692984011	11,785,735	10,907,919	11,785,735	10,907,919
Standard Bank - Nzimakwe 1 HSG -378692984003	-	702,516	-	702,516
Standard Bank - Nzimakwe 2 HSG -378692984004	1,259,370	1,165,570	1,259,370	1,165,570
Standard Bank - Bhoboyi SUB-HSG-378692984005	399,896	370,111	399,896	370,111
Standard Bank - Bhoboyi EST-HSG -378692984006	-	13,305	-	13,305
Standard Bank - Damaged HSES-378692984007	-	85,265	-	85,265
Standard Bank - Uplands HSG -378692984008	-	85,179	-	85,179
Standard Bank - Mkholombe HSG -378692984009	-	1,650,613	-	1,650,613
Standard Bank - AIDS PROJECT -378692984010	-	164,108	-	164,108
Standard Bank- Ray Nkonyeni Municipality- 378692984-001	-	2,213	-	2,213
Standard Bank- MHOA- 378692984-018	15,579,186	-	15,579,186	-
Total	61,149,160	94,188,133	46,974,873	66,378,507

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13. Long term Loan		
At amortised cost		
Long term Loan	15,056,207	17,010,025
During the 2020 financial year the municipality entered into a loan agreement with DBSA to the value of R41,4 million to be drawn down over 4 financial years and repaid over a 10 year period at a variable interest rate that determined with reference to the Government bond rate plus the DBSA's cost of funding and the DBSA net margin. The first draw down on the loan was made during the 2021 financial year of R3.5 million was received, as well as the second drawdown of R8.47 received in the 2022/2023 financial year, and the third drawdown of R7.9 million received in the 2023/2024 Financial year and current loan balance outstanding is R15 million as of 30 June 2025.		
Non-current liabilities		
At amortised cost	12,874,211	15,056,207
Current liabilities		
At amortised cost	2,181,996	1,953,818
14. Finance lease obligation		
Minimum lease payments due		
- within one year	48,076,967	50,702,247
- in second to fifth year inclusive	110,678,234	94,904,131
	158,755,201	145,606,378
less: future finance charges	(57,425,129)	(48,845,730)
Present value of minimum lease payments	101,330,072	96,760,648
Present value of minimum lease payments due		
- within one year	24,347,626	29,839,169
- in second to fifth year inclusive	76,982,447	66,921,479
	101,330,073	96,760,648
Non-current liabilities	76,982,447	66,921,479
Current liabilities	24,347,626	29,839,169
	101,330,073	96,760,648
It is municipality policy to lease certain motor vehicles under finance leases. refer to note 4.		
15. Payables from exchange transactions		
Trade payables	50,930,222	2,847,975
Payments received in advanced	55,428,665	45,264,104
Retentions	24,760,899	45,164,854
Unknown deposits	12,335,947	7,754,063
Accrued bonus	14,503,962	13,496,658
Accrued expense	39,133,301	37,816,789
Other creditors - Third party	47,792,129	367,035
Other creditors - Urban Improvements Precincts	1,018,943	804,318
Other Creditors - Insurance	3,476,096	2,752,857
	249,380,164	156,268,653
Other creditors - Third party increase		

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15. Payables from exchange transactions (continued)

The arbitration award was issued on 15 September 2024 by the South African Local Government Bargaining Council (SALGBC), which ordered Ray Nkonyeni Municipality to pay employees compensation equivalent to six months' salary for unfair labour practice. On the 3rd of March 2025, the municipality entered into an agreement with SAMWU, wherein both parties consented to a compensation arrangement equivalent to four months' salary. The agreed amount is to be paid in three instalments: the first instalment, comprising two months' salary, was disbursed in March 2025, while the remaining two months will be paid during the 2025/26 financial year in December 2025 and March 2026.

16. Consumer deposits

Electricity	11,191,232	10,095,683
Other consumer deposits	430,286	384,515
Building plans	29,023,745	27,841,357
Hall deposits	6,985	8,275
	40,652,248	38,329,830

Consumer deposits for electricity are paid by customers on application for new connections. The deposits are repaid when the connections are terminated. In cases where consumers default on the accounts, Council may use the deposit as payment for the outstanding amount.

Building plans deposit are collected on submitting building plans to encourage development. Deposits are refunded when occupational certificate is issued.

17. Employee benefit obligations

Defined benefit plans - General information

The amounts recognised in the statement of financial position are as follows:

Carrying value

Present value of the defined benefit obligation-partly or wholly funded	(126,111,779)	(120,731,096)
Non-current liabilities	(120,906,757)	(114,936,457)
Current liabilities	(5,205,022)	(5,794,639)
	(126,111,779)	(120,731,096)

Changes in the present value of the defined benefit obligation are as follows:

Opening balance	(120,731,096)	(103,729,975)
Actual subsidies paid to pensioners	5,305,070	4,914,765
Net expense recognised in the statement of financial performance	(10,685,753)	(21,915,886)
	(126,111,779)	(120,731,096)

Net expenses recognised in the statement of financial performance are as follows:

Service cost	10,685,753	21,915,886
- Service cost	4,717,144	3,957,471
- Net Interest cost	15,249,535	13,423,642
Remeasurements over the financial year	(9,280,926)	4,534,773
	10,685,753	21,915,886

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17. Employee benefit obligations (continued)

Calculation of actuarial gains and losses

Actuarial (gains) losses – Obligation	(9,280,926)	4,534,773

Key assumptions used

The key assumptions used in the valuation, with the prior years' assumptions shown for comparison, are summarised below:

Discount rate (D)	12.03 %	12.94 %
Future CPI Expectation (FCE)	5.96 %	7.37 %
Health care cost inflation (H)	7.46 %	8.87 %
Net discount rate $(1+D)/(1+H)-1$	4.25 %	3.74 %

The basis used to determine the overall expected rate of return on assets is as follow:

It is the relative levels of the discount rate and health care cost inflation to one another that are important, rather than the nominal values. The assumption regarding the relative levels of these two rates is our expectation of the long-term average.

GRAP25 defines the determination of the investment return assumption to be used as the rate that can be determined by reference to market yields on government bonds at the balance sheet date. The currency and term of the government bonds should be consistent with the currency and estimated term of the obligation.

The methodology of setting the financial assumptions has been updated to be more duration specific. At the previous valuation report, 30 June 2024, the duration of liabilities was 12.63 years. At this duration, the discount rate determined by using the Bond Exchange Zero Coupon Yield Curve as at 30 June 2025 is 12.03% per annum, and the yield on inflation-linked bonds of a similar term was about 5.26% per annum. This implies an underlying expectation of future inflation of 5.96% per annum $([1 + 12.03\% - 0.5\%] / [1 + 5.26\%] - 1)$.

We have assumed that healthcare cost inflation would exceed general inflation by 1.50% per annum, i.e., 7.46% per annum. However, it is the relative levels of the discount rate and healthcare cost inflation to one another that are important, rather than the nominal values. We have thus assumed a net discount factor of 4.25% per annum $([1 + 12.03\%] / [1 + 7.46\%] - 1)$.

18. Unspent conditional grants and receipts

Unspent conditional grants and receipts comprise of:

Unspent conditional grants and receipts		
Neighbourhood Development Grant	13,944,509	-
Municipal Disaster Recovery Grant	1,427	771,197
Margate Airport Grant	3,108,393	43,015
Energy Efficiency Demand Side Management	456,107	-
Municipal Disaster Relief Grant	24,976	-
	17,535,412	814,212

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19. Provisions

Reconciliation of provisions - 2025

	Opening Balance	Additions	Utilised during the year	Change in discount factor	Remeasurements	Total
Environmental rehabilitation	23,929,794	-	-	1,268,279	-	25,198,073
Long service awards	25,500,761	1,773,485	(5,045,943)	2,379,496	1,975,940	26,583,739
Leave provision	37,754,866	6,752,793	(2,509,610)	-	-	41,998,049
	87,185,421	8,526,278	(7,555,553)	3,647,775	1,975,940	93,779,861

Reconciliation of provisions - 2024

	Opening Balance	Additions	Utilised during the year	Change in discount factor	Remeasurements	Total
Environmental rehabilitation	26,907,712	(3,906,234)	-	928,316	-	23,929,794
Legal proceedings	231,250	-	(231,250)	-	-	-
Long service awards	24,124,949	1,700,220	(5,188,561)	2,324,823	2,539,330	25,500,761
Leave provision	35,771,909	5,417,395	(3,434,438)	-	-	37,754,866
	87,035,820	3,211,381	(8,854,249)	3,253,139	2,539,330	87,185,421

Non-current liabilities	46,801,640	46,476,024
Current liabilities	46,978,221	40,709,397
	93,779,861	87,185,421

Leave provision

The municipality raises a provision for leave pay for all employees of the municipality as at the end of the financial year.

Employees of the municipality are entitled to a leave payment on termination for all leave days that have been earned and not forfeited by the employee on termination date. Leave accrues and forfeits in accordance with the leave policy of the municipality and the amount of the leave pay is uncertain at the reporting date.

The leave provision has been calculated based on leave balances as at year end and salary earnings on the employee as at the reporting date.

Environmental rehabilitation provision

The rehabilitation cost provision is for the closure of the Oatlands landfill site. The provision represents management's best estimate of the municipality's present value of future cashflows arising from the closure of the landfill site as at 30 June 2025.

The costs of rehabilitating the landfill site were estimated by Promilezi Chartered Accountants. The estimate was based on the following:

1. Level and shape body waste 80680 m²
2. Load up selected material from commercial sources for capping on 0.2 m 80680 m²
3. The preparation, application and maintenance of vegetation 80680 m²
4. Fencing 1000m

The extent of the work covers cells 1 to 4. The cost of closing future cells will be added when they are opened.

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19. Provisions (continued)

Long service awards

The long service awards are granted to municipal employees after the completion of fixed periods of continuation service with the municipality. The provision represents an estimation of the awards to which employees in the service of the municipality as at 30 June 2025 may become entitled to in the future. The provision is based on an actuarial valuation performed at that date.

The most recent actuarial valuation was carried out as at 30 June 2025 by One Pangae Expertise and Solutions, fellow of the faculty of Actuaries and Actuarial Society of South Africa. The present value of the obligation and the related current service cost and past service cost were measured using the Projected Unit Credit Method.

The amounts recognised in the statement of financial position are as follows:

Long term portion	21,603,567	22,546,230
Short term portion	4,980,172	2,954,531
	26,583,739	25,500,761

Eligible employees

Number of Employees	1,073	1,062

Key assumptions used

Discount rate	8.76%	9.90%
Future CPI Expectation	3.31%	4.96%
Salary increase rate	4.31%	5.96%
Net Discount Rate	4.26%	3.72%
	-	-

Age and mortality

Normal retirement age (years)	65	65
Average retirement age (years)	63	63
Mortality	85-90	85-90
	-	-

Amount recognised in the financial performance under employee costs are as follows:

Service Cost	1,773,485	1,700,220
Net Interest Expense	2,379,496	2,324,823
Remeasurements over the financial year	1,975,940	2,539,330
	6,128,921	6,564,373

20. Service charges

Sale of electricity	194,163,298	187,231,182
Refuse removal	64,481,115	63,205,787
	258,644,413	250,436,969

21. Rental of facilities and equipment

Facilities and equipment

Rental of facilities	3,616,599	3,263,945
Rental of equipment	570,916	881,801
	4,187,515	4,145,746

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22. Agency services		
Driver's Licenses	4,081,024	5,194,878
Vehicle Registration	6,953,663	8,806,931
Pedestrian Crossing Patrol	1,775,630	1,182,811
Commission third party	922,601	736,286
Accreditation commission	3,713,765	4,359,773
	17,446,683	20,280,679
Refer to note 51 on Accounting by Principles and Agents		
23. Licences and permits from exchange		
Trading licences	1,331	1,961
Road and Transport	510,128	595,609
	511,459	597,570
24. Investment revenue		
Interest revenue		
Interest earned on Investments	10,482,703	10,806,355
Interest earned on primary account	584,815	807,611
	11,067,518	11,613,966

The amount included in Investment revenue arising from interest earned from the municipal investment accounts.

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25. Property rates		
Rates received		
Public service infrastructure	127,015	26,545
Business and Commercial	128,890,723	125,781,376
Public Service Purposes	29,870,120	27,357,608
Residential	370,662,930	355,490,072
Industrial	17,934,346	16,846,271
Agricultural	14,482,546	11,648,601
Public benefit organisations	2,131,736	1,558,849
Mining	92,740	88,407
Vacant land	33,262,552	31,378,175
Less: rebate/ forgone/ impermissible	(64,729,516)	(63,159,011)
	532,725,192	507,016,893

Valuations

Public service infrastructure	47,873,000	47,873,000
Business and Commercial	5,813,119,000	5,851,811,000
Public Service Purposes	1,272,708,000	1,239,752,000
Residential	32,177,725,500	32,111,455,500
Industrial	776,135,000	776,135,000
Agricultural	5,902,229,000	6,046,465,000
Public benefit organisations	794,916,000	789,906,000
Mining	3,205,000	3,205,000
Protected land	8,317,000	8,317,000
Vacant land	1,439,593,000	1,442,609,000
Municipal	536,294,000	526,534,000
	48,772,114,500	48,844,062,500

Valuations on land and buildings are performed every 5 years. The last general valuation came into effect on 1 July 2023 until 30 June 2028. Supplementary valuations are performed annually to take into account changes in individual property values due to alteration, consolidations, rezonings and subdivisions.

26. Licences and permits from non-exchange

Business Licences	500,259	331,927
Hazardous goods	28,952	27,671
Permits	301,062	362,330
Duplicate Learners licences	6,792	7,374
	837,065	729,302

27. Interest

Interest from non-exchange transactions	36,019,898	31,858,238

The amount represents the interest charged from the outstanding balances of non-exchange transactions (Property Rates).

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28. Government grants & subsidies		
Operating grants		
Equitable share	302,729,000	285,237,059
Provincialisation of libraries Grant	12,964,000	12,418,000
Expanded Public Works Programme Integrated Grant	3,255,000	5,084,000
Community Library Services grant	2,509,000	1,848,000
Financial Management Grant	1,900,000	1,950,000
Museum subsidies Grant	497,000	476,000
Community Modular Library grant	747,000	715,000
Local Government SETA	852,579	826,336
Municipal Disaster Response Grant	22,735,023	-
Municipal Disaster Recovery Grant	757,771	81,526,803
Energy Efficiency and Demand Side Management Grant	5,043,893	-
	353,990,266	390,081,198
Capital grants		
Integrated Urban Development Grant	86,740,001	88,848,000
Margate Airport Grant	434,622	5,720,359
Small towns rejuvenation Grant	-	2,452,315
Neighbourhood Development Partnership Grant	11,055,491	25,378,663
	98,230,114	122,399,337
	452,220,380	512,480,535
Neighbourhood Development Grant		
Balance unspent at beginning of year	-	1,200,663
Current-year receipts	25,000,000	24,178,000
Conditions met - transferred to revenue	(11,055,491)	(25,378,663)
	13,944,509	-
Conditions still to be met - remain liabilities (see note 18).		
The project funded by the Neighbourhood development partnership grant was only approved by National Treasury in July 2024, the approval letter was received on the 1st of August 2024, and the detailed designs were concluded in December 2024. The contractor was appointed on 28 March 2025 and construction started on 14 April 2025. Construction underway. An application for rollover has been made as the funds are committed.		
Integrated Urban Development Grant		
Balance unspent at beginning of year	-	311,284
Current-year receipts	86,740,000	88,848,000
Conditions met - transferred to revenue	(86,740,000)	(88,848,000)
Unapproved rollover payment	-	(311,284)
	-	-
Municipal Disaster Recovery Grant		
Balance unspent at beginning of year	771,197	-
Current-year receipts	-	82,298,000
Conditions met - transferred to revenue	(757,770)	(81,526,803)
Unapproved rollover payment	(12,000)	-
	1,427	771,197

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28. Government grants & subsidies (continued)		
Conditions still to be met - remain liabilities (see note 18).		
Margate Airport Grant		
Balance unspent at beginning of year	43,015	3,763,373
Current-year receipts	3,500,000	2,000,000
Conditions met - transferred to revenue	(434,622)	(5,720,358)
	3,108,393	43,015
Conditions still to be met - remain liabilities (see note 18).		
Small towns rejuvenation Grant		
Balance unspent at beginning of year	-	2,452,315
Conditions met - transferred to revenue	-	(2,452,315)
	-	-
Energy Efficiency Demand Side Management		
Current-year receipts	5,500,000	-
Conditions met - transferred to revenue	(5,043,893)	-
	456,107	-
Conditions still to be met - remain liabilities (see note 18).		
Provincialisation of libraries Grant		
Current-year receipts	12,964,000	12,418,000
Conditions met - transferred to revenue	(12,964,000)	(12,418,000)
	-	-
Integrated National Electrification Programme		
Balance unspent at beginning of year	-	63,435
Conditions met - transferred to revenue	-	(63,435)
	-	-
Conditions still to be met - remain liabilities (see note 18).		
Financial Management Grant		
Current-year receipts	1,900,000	1,950,000
Conditions met - transferred to revenue	(1,900,000)	(1,950,000)
	-	-
Community Modular libraries Grant		
Current-year receipts	747,000	715,000
Conditions met - transferred to revenue	(747,000)	(715,000)
	-	-

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28. Government grants & subsidies (continued)		
Municipal Disaster Relief Grant		
Balance unspent at beginning of year	-	101,775
Current-year receipts	22,760,000	-
	(22,735,024)	(101,775)
	24,976	-
Conditions still to be met - remain liabilities (see note 18).		
Expanded Public Works Programme (EPWP)		
Current-year receipts	3,255,000	5,084,000
Conditions met - transferred to revenue	(3,255,000)	(5,084,000)
	-	-
Community Libraries Grant		
Current-year receipts	2,509,000	1,848,000
Conditions met - transferred to revenue	(2,509,000)	(1,848,000)
	-	-
Museum Grant		
Current-year receipts	497,000	476,000
Conditions met - transferred to revenue	(497,000)	(476,000)
	-	-
Local Government SETA		
Current-year receipts	852,579	826,336
Conditions met - transferred to revenue	(852,579)	(826,336)
	-	-
29. Public contributions and donations		
Public contributions and donations	7,802,825	117,324
Donation received from BP Southern Africa for Jet 1 Fuel Infrastructure recognised as Investment property in the 2024/25 Financial year		
30. Fines, Penalties and Forfeits		
Building Fines	225,415	381,252
Illegal Connections Fines	458,470	548,841
Law Enforcement Fines	-	648
Overdue Books Fines	16,033	12,407
Municipal Traffic Fines	17,713,124	19,608,285
Unknown Deposits Forfeits	964,761	2,055,692
Retentions Forfeits	24,152,159	3,450,843
Unsuccessful debit order penalty	30,312	46,573
	43,560,274	26,104,541

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30. Fines, Penalties and Forfeits (continued)

Fines, penalties and forfeits increase in the current year in comparison to the prior year as a result of prescribed long outstanding unclaimed retentions.

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31. Employee related costs		
Basic	398,211,200	288,889,726
Bonus	25,111,317	23,166,505
Medical aid - company contributions	23,071,173	20,834,612
UIF	2,284,736	2,214,291
Leave pay	6,752,795	5,417,395
Defined contribution plans	10,685,753	21,915,886
Overtime payments	20,129,174	22,168,280
Long-service awards	6,128,923	6,564,374
Acting allowances	1,386,009	1,212,127
Car allowance	21,472,852	20,192,065
Housing benefits and allowances	4,244,558	3,223,932
Night shift allowance	2,803,852	1,585,285
Standby allowance	6,009,005	5,752,947
Bargaining council levy	152,813	140,981
Cell phone allowance	1,003,627	993,577
Pension Fund	53,462,880	50,218,634
Life insurance	186,945	198,558
	583,097,612	474,689,175

Remuneration of Municipal Manager

Annual Remuneration	1,246,351	1,222,973
Car Allowance	132,000	132,000
Performance Bonuses	165,553	93,487
Contributions to UIF, Medical and Pension Funds	62,686	43,212
Cell phone allowance	30,000	30,000
	1,636,590	1,521,672

Remuneration of Chief Financial Officer

Annual Remuneration	375,764	179,979
Car Allowance	75,000	8,000
Performance Bonuses	-	179,081
Contributions to UIF, Medical and Pension Funds	24,936	190
Cell phone allowance	5,000	1,000
	480,700	368,250

In the 2023/24 financial year the Chief financial officer resigned on 31 July 2023, the remuneration in the 2023/24 financial year relates to one month remuneration and performance bonus for the 2022/23 financial year. The Chief financial officer position remained vacant until the position was filled in the 2024/25 financial year. The chief financial officer was appointed from 1 February 2025, therefore the remuneration for the chief financial officer includes five months remuneration.

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31. Employee-related costs (continued)		
Remuneration of Head of Department Corporate Services		
Annual Remuneration	556,655	130,629
Car Allowance	100,498	10,000
Performance Bonuses	-	132,364
Contributions to UIF, Medical and Pension Funds	116,891	7,508
Cell phone allowance	8,000	1,000
	782,044	281,501

The Head of Department Corporate services was appointed in the 2024/25 Financial year.

Head of Department Strategic Planning and Governance

Annual Remuneration	-	43,723
Performance Bonuses	-	110,303
	-	154,026

The Head of Department Strategic Planning and Governance resigned in the 2022/23 financial year, therefore the remuneration for the head of department Strategic planning and governance includes leave pay and performance bonus for the 2022/23 financial year. The position for HoD Strategic planning and governance remained vacant in the 2024/25 financial year.

Remuneration of Head of Department Technical Services

Annual Remuneration	973,953	928,331
Car Allowance	180,000	180,000
Performance Bonuses	136,732	121,334
Contributions to UIF, Medical and Pension Funds	54,866	51,417
Cell phone allowance	12,000	12,000
	1,357,551	1,293,082

Remuneration of Head of Department Public Safety

Annual Remuneration	-	366,263
Car Allowance	-	40,000
Performance Bonuses	-	110,303
Contributions to UIF, Medical and Pension Funds	-	11,834
Cell phone allowance	-	4,000
	-	532,400

The remuneration for Head of Department Public Safety includes four month remuneration as the contract ended in 31 October 2023 and performance bonus for the 2022/23 financial year. The position for HoD Public Safety remained vacant in the 2024/25 Financial year.

Remuneration of Head of Department Development Planning Services

Annual Remuneration	975,775	676,602
Car Allowance	180,000	135,000
Performance Bonuses	102,549	65,155
Contributions to UIF, Medical and Pension Funds	43,225	32,409
Cell phone allowance	12,000	9,000
	1,313,549	918,166

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31. Employee related costs (continued)		
Remuneration of Head of Department of Community Services		
Annual Remuneration	919,842	645,681
Car Allowance	270,333	180,000
Performance Bonuses	102,549	11,030
Contributions to UIF, Medical and Pension Funds	2,125	1,594
Cell phone allowance	12,000	9,000
	1,306,849	847,305

32. Remuneration of councillors

Mayor	1,380,853	867,023
Deputy Mayor	989,930	1,105,183
Mayoral Committee Members	8,191,642	9,340,121
Speaker	649,456	707,275
Councillors	24,757,870	27,159,637
Chief Whip	987,919	1,095,311
	36,957,670	40,274,550

In-kind benefits

The Mayor, Deputy Mayor, Speaker and Mayoral Committee Members are full-time. Each is provided with an office and secretarial support at the cost of the Council.

The Mayor, Deputy Mayor and Speaker each have the use of separate council owned vehicle for official duties.

The Mayor, Deputy Mayor and speaker each have full-time bodyguards.

Additional information

The salaries, allowance and benefits of councillors are within the upper limits of the framework envisaged in section 219 of the Constitution of South Africa.

The municipality has a total of 71 Councillors. The total composition being The Mayor, Deputy Mayor, Speaker, Chief Whip and 9 Members of the Mayoral Committee and 58 Ordinary Councillors.

The Speaker Cllr PR Gumbi was appointed Speaker for Ray Nkonyeni Municipality in the October 2024 Council Meeting; the position had been vacant from February 2024 when Cllr ZP Mzindle resigned from the post and subsequently appointed as Mayor of Ray Nkonyeni Municipality.

33. Depreciation and amortisation

Property, plant and equipment	91,447,004	88,627,087
Intangible assets	128,346	145,689
	91,575,350	88,772,776

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34. Impairment loss		
Impairments		
Property, plant and equipment	26,437,737	38,209,100
Heritage assets	-	1,550
Trade and other receivables	92,444,764	80,268,450
	118,882,501	118,479,100

Impairment loss/ reversal on PPE and Trade receivables has been consolidated on the face of the 2025 statement of financial performance and broken down in this note.

35. Finance costs

Non-current borrowings	1,775,493	1,930,661
Interest Charged	13,434	7,424
Finance leases	28,077,325	20,867,601
Landfill Site Provision Interest	1,268,279	928,316
	31,134,531	23,734,002

36. Lease rentals on operating lease

Motor vehicles		
Contractual amounts	-	8,069,477
Equipment		
Contractual amounts	1,515,626	1,140,224
Plant and equipment		
Contractual amounts	630,877	989,365
Lease rentals on operating lease - Other		
Contractual amounts	3,027,347	3,036,195
	5,173,850	13,235,261

37. Bulk purchases

Electricity - Eskom	177,510,341	142,879,822

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37. Bulk purchases (continued)			
Electricity losses			
Units purchased (in kWh)	-	85,805,155	76,882,449
Units sold (in kWh)	-	(77,121,302)	(67,669,096)
Total loss	-	8,683,853	9,213,353
Comprising of:			
Technical losses (in kWh)		4,805,294	4,306,743
Non-technical losses (in kWh)		3,878,559	4,906,610
Total		8,683,853	9,213,353
Comprising of:			
Technical losses (in Rands)		7,496,313	5,931,339
Non-technical losses (in Rands)		6,050,596	6,757,490
		13,546,909	12,688,829
Percentage Loss:			
Technical losses		6 %	6 %
Non-technical losses		5 %	6 %
Total		11 %	12 %

Basic assumption for technical losses as per Techsoft records 5.6%. Nersa acceptable range is 5-12%.

38. Contracted services

Outsourced Services

Administrative and Support Staff	12,326,074	8,162,278
Information Technology Services	78,900	57,915
Business and Advisory	5,714,045	8,249,212
Catering Services	320,232	353,170
Cleaning Services	12,943,157	8,834,438
Clearing and Grass Cutting Services	14,232,693	15,200,843
Hygiene Services	832,777	476,293
Medical Waste Removal	-	33,000
Personnel and Labour	5,975,101	7,897,100
Connection/Dis-connection	-	587,871
Security Services	56,733,379	49,534,843
Swimming Supervision	17,216,163	16,684,433
Transport Services	2,462,785	1,947,298

Consultants and Professional Services

Business and Advisory	6,689,368	6,690,833
Infrastructure and Planning	2,165,178	1,520,658
Laboratory Services	442,430	682,863
Legal Cost	5,026,118	6,928,613

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38. Contracted services (continued)		
Contractors		
Catering Services	389,787	660,660
Electrical	14,484,131	909,457
Employee Wellness	504,334	343,966
Event Promoters	1,315,955	1,049,793
Maintenance of Property Plant & Equipment	71,325,170	67,115,683
Management of Informal Settlements	48,120	4,279,261
Tracing Agents and Debt Collectors	86,400	602,639
Shark Nets	9,286,251	9,638,873
	240,598,548	218,441,993
39. Transfers and subsidies		
Transfers and subsidies		
Youth Development	2,219,916	2,125,204
Entrepreneurial Support	9,047,827	10,264,890
Tourism and Development Agency	3,632,748	3,422,845
Community Development Programmes	4,075,056	2,581,121
	18,975,547	18,394,060
40. General expenses		
Advertising	2,854,392	2,695,358
Auditors remuneration	6,023,127	5,821,678
Bank charges	526,177	478,687
Commission paid	2,857,162	2,643,199
Litigation settlement fees	-	26,400,000
Hire	26,933,882	26,234,044
Insurance	7,476,684	7,416,312
IT expenses	12,530,695	10,695,875
Skills Development Levy	4,729,876	4,124,396
Toll Fees	187,482	215,132
Municipal vehicle tracking	444,845	565,216
Fuel and oil	17,294,269	23,196,648
Ward Committees	4,407,910	4,053,795
Postage and courier	2,347,505	1,911,336
Printing and stationery	737,258	765,960
Workmen's Compensation	3,118,140	3,062,889
Protective clothing	4,754,044	4,892,288
Subscriptions and membership fees	5,800,336	5,461,913
Telephone and fax	3,252,465	3,263,703
Travel - local	3,679,866	4,030,097
Title deed search fees	375,296	221,789
Water & Electricity	30,707,607	29,903,293
Employee Bursaries	436,715	1,084,921
Municipal Vehicle Licencing	806,244	705,804
Sheriff Management Fees	1,252,181	515,690
Training and workshops	1,846,568	3,410,534
Signage	1,448,369	2,684,014
Indigent Relief	6,100,338	4,871,562
	152,929,433	181,326,133

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41. Other revenue		
Staff Recoveries	1,581,630	2,020,035
Operational revenue	1,164,281	1,222,723
	2,745,911	3,242,758
42. Auditors' remuneration		
Fees	6,023,127	5,821,678
43. Cash generated from operations		
(Deficit) surplus	(71,854,586)	107,182,914
Adjustments for:		
Depreciation and amortisation	91,575,350	88,772,776
Loss on disposal of assets	2,586,495	2,766,016
Fair value adjustments	(29,164,565)	(38,736,597)
Finance costs - Finance leases	28,077,325	20,867,601
Impairment of assets	26,437,736	38,210,650
Bad debts written off	5,852,606	11,306,773
Movements in provisions	6,594,440	4,287,085
Movement in employee obligation	5,380,683	17,001,122
Public contributions and donations	(6,614,828)	(117,324)
Other non-cash items	(1,723,974)	336,240
Changes in working capital:		
Inventories	5,070,993	(5,057,479)
Receivables from exchange transactions	5,749,260	66,139,139
Receivables from non-exchange transactions	(8,804,555)	(63,916,334)
Payables from exchange transactions	86,209,605	(1,826,878)
VAT Receivable	23,621,787	88,734,044
VAT Payable	690,150	(109,505,250)
Unspent conditional grants and receipts	16,721,200	(7,341,717)
Consumer deposits	2,322,418	3,024,389
Housing Development Fund	(6,350,475)	(36,075,838)
	182,377,065	186,051,332
44. Operating (deficit) surplus		
Operating (deficit) surplus for the year is stated after accounting for the following:		
Operating lease charges		
Motor vehicles		
• Contractual amounts	-	8,069,477
Equipment		
• Contractual amounts	1,515,626	1,140,224
Plant and equipment		
• Contractual amounts	630,877	989,365
Lease rentals on operating lease - Other		
• Contractual amounts	3,027,347	3,036,195
	5,173,850	13,235,261

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44. Operating (deficit) surplus (continued)		
Loss on sale of property, plant and equipment	(2,586,495)	(2,766,016)
Impairment on property, plant and equipment	26,437,737	38,209,100
Impairment on heritage assets	-	1,550
Impairment on trade and other receivables	92,444,764	80,268,450
Amortisation on intangible assets	128,346	145,689
Depreciation on property, plant and equipment	91,447,004	88,627,087
Employee Costs and Councillors Remuneration	626,932,565	520,880,127
45. Fair value adjustments		
Investment property (Fair value model)	29,164,565	38,736,597
46. Commitments		
Authorised capital expenditure		
Already contracted for but not provided for		
• Property, plant and equipment	146,790,515	109,893,263
Total capital commitments		
Already contracted for but not provided for	146,790,515	109,893,263
Total commitments		
Total commitments		
Authorised capital expenditure	146,790,515	109,893,263
This committed expenditure relates to property plant and equipment and will be financed by 13% funds internally generated, 61% Integrated Urban Development Grant and 27% Neighbourhood Development Partnership Grant.		
Operating leases - as lessee (expense)		
Minimum lease payments due		
- within one year	2,863,015	3,132,844
- in second to fifth year inclusive	951,627	3,085,302
	3,814,642	6,218,146

Operating lease payments represent rentals payable by the municipality for certain of its office properties. Leases are negotiated for an average term of seven years and rentals are fixed for an average of three years. No contingent rent is payable.

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47. Contingencies

Claimant	Nature of contingent liability	Summary of matter and uncertainty	2025	2024
Central Court	Storm Damages Claim	Summons received for storm damages that allegedly occurred at or near Lot 3201 Marine drive, Margate	69,913	-
W J Pienaar	Pothole claim	There is a dispute of pothole damages, it is however not certain that the plaintiff has a case against the municipality as not all the litigation requirements have not been met.	7,037	7,037
Charmaine Charles	Pothole claim damages	Letter of demand received for pothole damages that occurred at or near marine drive, Margate	49,259	-
E Meier	Pothole claim	There is a dispute of pothole damages as there is no visible pothole on this road	17,060	17,060
M & GJ Broodryk	Damages Claim (fallen tree)	Letter of demand received for damages claim (fallen tree) on vehicle at or near rethman drive, Umtentweni	96,071	-
Ramachul vs RNM	Pothole Damage claim	Letter of demand received for pothole damages that occurred at or near Edward Avenue, Uvongo	30,278	-
WIJ Van Wyk vs Ray Nkonyeni Municipality	Motor Vehicle Accident claim	Letter of demand received on or about 3 December for MVA damages claim	34,292	-
JH Slabberts vs Ray Nkonyeni Municipality	Pothole Damage claim	Letter of Demand received on or about 14 January 2025 for damages that allegedly occurred in seaslopes Margate.	12,639	-
A Reddy	Improvement claim	Summons received on 08th September 2020 for an improvement claim. A Reddy claims that the access road to his home was damaged due to a storm and that the requested the Municipality to repair the damages as the damages apparently was a threat to life or limb and after officials allegedly failed to cause the repairs, rehired a private contractor to repair the access road. He now claims compensation from the Municipality.	40,294	40,294
Travel Lodge	Storm Damages Claim	Summons received for storm damages that allegedly occurred at or near Lot 967 Owen Ellis Drive, Port Edward	17,885	-
DM Pieterse	Damages	Letter of demand received for Motor Vehicle Damages from allegedly colliding with an open manhole on Buckingham & Park Street, Shelly Beach	38,241	38,241

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47. Contingencies (continued)

A Maritz		Damages	Letter of demand received for Pothole Damages that occurred on or about Shelly Beach/Margate.	1,538	1,538
S Reddy		Damages	Letter of demand received for Motor Vehicle Damages that occurred by colliding with a tree as a result of a pothole on Robin Road Shelly Beach	266,937	266,937
S Engelbrecht		Pothole Damages claim	Letter of demand received for Pothole Damages that occurred at or around Margate	5,832	5,832
PGA Plant Civils (Pty) Ltd		Pothole damage	Letter of demand received for Pothole Damages that occurred at or near R102 Hibberdene	28,055	28,055
Lucretia M		Services rendered	Letter of demand received unpaid Invoice based on services rendered.	-	29,500
A Anosike		Motor Vehicle Accident	Summons received for alleged Motor vehicle Collision with Council Vehicle.	204,996	204,996
A GRUNDLING		Pothole damage	Letter of demand received for Pothole Damages that occurred at or near Marine Drive, Margate.	2,425	2,425
D Ramos		Pothole Damages Claim	Letter of demand then Summons received for Pothole Damages that occurred on Jacaranda Road, Shelly Beach	-	42,010
Modesta Mgumbela		Damage claim	Letter of demand received for pothole damages in De Wet Street, Margate	1,450	1,450
Johan Haywood		Damages Claim	Letter of demand received for pothole damages in Abelia Crescent, Sea Park	5,200	5,200
BV Mbotho		Damages (Loss of income)	Letter of demand received Claiming damages as a result of a MV Accident involving a Municipal owned tractor on the N2 toward Harding at or near Marburg	292,310	110,000
BV Mbotho		Damages (Motor vehicle)	Letter of demand received Claiming damages as a result of a MV Accident involving a Municipal owned tractor on the N2 toward Harding at or near Marburg	-	278,850
Inclusion South Africa (Pty) Ltd		Pothole Damages Claim	Letter of demand received for Pothole Damages that occurred on Nelson Mandela Drive Port Shepstone	76,150	76,150
Alex Matandabuzo		Storm Damages Claim	Letter of demand received for storm damages to a boundary wall that occurred at or near Lot 1872 Van Niekerk Road, Margate	156,900	-
Ndelu Group 01 (Pty) Ltd		Breach of Contract Claim	Letter of demand received for payment in respect of Services Provided.	84,500	84,500
SL Ntombela		Pothole Damages Claim	Letter of demand and subsequently Summons received for Pothole Damages that occurred on Alford Road Ramsgate	44,373	44,373

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47. Contingencies (continued)

M Valorie		Pothole Damages Claim	Letter of demand received for Pothole Damages that occurred on Seaslopes, Margate	10,916	10,916
WJI Van Wyk		MVA Damages Claim	Letter of demand received for MVA claim, Margate	31,044	-
S & NP Zindela		Damages (alleged unlawful arrest)	Claimants alleged that arresting officers arrested them without just cause as they were passengers in a vehicle that was stopped. Arresting officers submitted that arrest was because vehicle was on record as a stolen vehicle and upon questioning driver and occupants, no answer was forthcoming in terms of ownership of vehicle. Matter was handed to SAPS as such.	400,000	400,000
DB Lewis		Pothole Damages Claim	Letter of demand received for Pothole Damages that occurred on Seaslopes Ave. Uvongo	-	14,285
S Radbone		Damages (Personal Injury/Loss of Income)	S Radbone appointed Mcleod & Associates to claim from the Municipality damages in the amount of R14,729,750.00, pertaining to injuries and loss of amenities having allegedly fallen into an unsecured storm water drain that was also concealed by overgrown grass and vegetation.	-	14,729,750
Mvumikazi Tsewu		Pothole Damages Claim	Letter of demand and subsequently Summons received for Pothole Damages that occurred on Ramsgate Beach	143,100	143,100
S Sewlall		Damages	Pothole Damages Claim Instituted by the Plaintiff.	194,050	194,050
SA Post Office		Pothole Damages Claim	Letter of Demand received for Pothole Damages that occurred at or near Izingolweni Road, Port Edward	8,533	-
MA Mngomeni		Damages	Letter of demand received in lieu of Pothole Damages	58,924	58,924
P A Nanak		Damages	Letter of demand received for pothole damages in Robin Road, Albersville	-	43,729
Keegan Pillay		Accident Claim	Letter of Demand received for MVA damages after colliding with a vehicle from DComms.	234,499	80,846
G Chellappakurup		Pothole Damages Claim	Letter of Demand received for Pothole Damages that occurred at or near Ramsey Avenue, Port Shepstone	85,713	-
Wandile Majova		Damages	Letter of demand for personal injury claim-bridge collapsed on claimant at Mvutshini Location, Margate	-	3,342,224
Pieter Potgieter		Damages (Pothole claim)	Letter of demand received for pothole damages in Seaslopes, Margate	65,027	65,027

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47. Contingencies (continued)

Alison Shaw		Damages	Letter of demand received for pothole damages in Miami Road, Hibberdene	-	51,058
J Killian		Pothole Damages	Letter of Demand received for pothole damages occurred at or near river road, Umtentweni	23,004	-
M Leqheka		Damages	Letter of demand received for motor vehicle accident damages in Valley Road, Margate	8,534	8,534
Maria Magdalena Erasmus		Damages	Letter of Demand received – personal injury claim-fell into pothole on Manaba Beach Road	380,000	380,000
MTN		Contractual claim	Letter of Demand received pertaining to claims for usage of cellular phone contracts by staff stemming from as far back at the time of Hibiscus Coast Municipality.	369,470	369,470
Fink Investments 13 Prop cc		MVA Damages Claim	Letter of demand received then summons received for MVA damages that occurred on Ridge road, Port Shepstone	63,880	63,880
Sithembiso Ngezana		Pothole Damages	Letter of demand received for pothole damage on MacGyver Road Margate	7,475	7,475
Lambadino Trading		Claim for services Rendered	Letter of demand then summons received for services rendered in terms of verge Maintenance tender	614,064	614,064
Black Bag Action Group (L Henderson) vs Ray Nkonyeni Municipality & / KJ Zulu		Damages claim allegedly ward 19 ratepayers who paid to have their refuse removed privately during the unprotected strike period.	Letter of demand received on or about 20 January 2025 for patrimonial damages (ward 19)	50,000	-
V Van Der Walt vs Ray Nkonyeni Municipality		Pothole Damage claim	Letter of demand received on or about February 2025 for pothole damages that allegedly occurred in marine drive, Margate	32,490	-
AB Mzobe vs Ray Nkonyeni Municipality		Pothole Damage claim	Letter of Demand received on or about 10 February 2025 for pothole damages that allegedly occurred in Bisset street, Port Shepstone	6,400	-
L Kruger vs Ray Nkonyeni Municipality		Pothole Damage claim	Letter of Damand received on or about 13 March for pothole damages that allegedly occurred in Russell Mellick road, Umtentweni	7,130	-
G Sampson vs Ray Nkonyeni Municipality		Pothole Damage claim	Letter of Demand received on or about Feb/March 2025 for pothole damages that allegedly occurred in Knoxgore Road, Uvongo	8,437	-
Z Opperman vs Ray Nkonyeni Municipality		Pothole Damage claim	Pothole claim form submitted for pothole damages that allegedly occurred in Uvongo	1,400	-

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41. Contingencies (continued)

SAMWU OBO Firefighters vs RNM		Compensation (unfair labour practice)	Dept. Corporate Services referred the dispute to legal for appointment of an Attorney to assist with opposing the matter during November 2024. Relevant Firefighters are claiming payment of shift allowance from 2018. They had been paid night shift allowance until 2024. The difference between the two types of allowance is possibly payable.	8,000,000	-
Kelly Bates vs Ray Nkonyeni Municipality		Pothole Damage claim	Pothole claim alleged damages that occurred in kings road, shelly beach.	50,728	-
WT Mincher vs Ray Nkonyeni Municipality		Damages claim	Damages allegedly incurred at or near Marien Drive, Manaba Beach	4,230,000	-
Altron Nexus vs Ray Nkonyeni Municipality		Claim for alleged outstanding invoices	Port Shepstone (Public Safety)	51,688	-
Ben Orsmond vs Ray Nkonyeni Municipality		Motor Vehicle Accident Claim	Motor Vehicle Accident Claim at or near marine drive	130,750	-
CBC Kohler vs Ray Nkonyeni Municipality		Pothole Damages claim that caused accident/ Injury	Pothole claim alleged damages/injury that occurred at R620 Marine drive	6,404,190	-
H Coetzer vs Ray Nkonyeni Municipality		Damages claim to Vehicle from tree falling over	Damages caused to Motor vehicle as a result of tree falling on car	98,700	-
S Mjweni vs Ray Nkonyeni Municipality		Alleged damages to motor vehicle caused by brush cutters	Damage to motor vehicle allegedly caused by brush cutter at or near Mbayimbayi Community Hall	1,680	-
ME Ogle vs Ray Nkonyeni Municipality		Damages claim tree falling on vehicle and house	Damages to motor vehicle and house allegedly caused by tree falling at Pelican Road Albersville	41,779	-
				23,397,240	21,861,780

48. Risk management

financial risk management

Liquidity risk

The municipality's risk to liquidity is a result of the funds available to cover future commitments. The municipality manages liquidity risk through an ongoing review of future commitments and credit facilities.

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48. Risk management (continued)

Credit risk

Credit risk consists mainly of cash deposits, cash equivalents, derivative financial instruments and trade debtors. The municipality only deposits cash with major banks with high quality credit standing and limits exposure to any one counter-party.

Trade receivables comprise a widespread customer base. Management evaluated credit risk relating to customers on an ongoing basis. If customers are independently rated, these ratings are used. Otherwise, if there is no independent rating, risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the board. The utilisation of credit limits is regularly monitored. Sales to retail customers are settled in cash or using major credit cards.

Market risk

Interest rate risk

As the municipality has no significant interest-bearing assets, the municipality's income and operating cash flows are substantially independent of changes in market interest rates.

The municipality's interest rate risk arises from long-term borrowings. Borrowings issued at variable rates expose the municipality to cash flow interest rate risk. Borrowings issued at fixed rates expose the municipality to fair value interest rate risk. Municipality policy is to maintain approximately 60% of its borrowings in fixed rate instruments. During 2025 and 2024, the municipality's borrowings at variable rate were denominated in the Rand and the UK pound.

The municipality analyses its interest rate exposure on a dynamic basis. Various scenarios are simulated taking into consideration refinancing, renewal of existing positions, alternative financing and hedging. Based on these scenarios, the municipality calculates the impact on surplus and deficit of a defined interest rate shift. For each simulation, the same interest rate shift is used for all currencies.

Based on the various scenarios, the municipality manages its cash flow interest rate risk by using floating-to-fixed interest rate swaps. Such interest rate swaps have the economic effect of converting borrowings from floating rates to fixed rates. Generally, the municipality raises long-term borrowings at floating rates and swaps them into fixed rates that are lower than those available if the municipality borrowed at fixed rates directly. Under the interest rate swaps, the municipality agrees with other parties to exchange, at specified intervals (primarily quarterly), the difference between fixed contract rates and floating-rate interest amounts calculated by reference to the agreed notional amounts.

48. Going concern

We draw attention to the fact that at 30 June 2025, the municipality had an accumulated surplus of 1,918,058,246 and that the municipality's total assets exceed its liabilities by 1,918,058,246.

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

The ability of the municipality to continue as a going concern is dependent on a number of factors. The most significant of these is that the accounting officer continue to procure funding for the ongoing operations for the municipality.

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50. Segment information

General information

Identification of segments

The municipality is organised and reports to management on the basis of two major functional areas: Technical Services and Community Services. The segments were organised around the type of service delivered and the target market.

Management uses these same segments for determining strategic objectives.

Information reported about these segments is used by management as a basis for evaluating the segments' performances and for making decisions about the allocation of resources. The disclosure of information about these segments is also considered appropriate for external reporting purposes.

The Municipality has other departments namely Budget and Treasury, Corporate Services, Strategic Planning and Governance, Development planning services and Public safety that it has considered as not meeting the definition and classification as a reportable segment as supported by paragraph 8 of Grap 18 as these departments do not undertake activities of the municipality that generates significant economic benefits or service potential.

Aggregated segments

There were no segments of the municipality that were aggregated for this disclosure.

Types of goods and/or services by segment

These reportable segments as well as the goods and/or services for each segment are set out below:

Reportable segment	Goods and/or services
Technical Services	Provision and Maintenance of electrification infrastructure
Community Services	Provision of Refuse removal basic service delivery

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50. Segment information (continued)

Segment surplus or deficit, assets and liabilities

2025

	Technical Services	Community Services	Total
Revenue			
Revenue from non-exchange transactions	5,502,363	3,255,000	8,757,363
Revenue from exchange transactions	203,222,636	72,538,851	275,761,487
Total segment revenue	208,724,999	75,793,851	284,518,850
unallocated revenue			1,137,227,783
Municipality's revenue			1,421,746,633
Expenditure			
Salaries and wages	15,109,561	113,385,795	128,495,356
Bulk purchases	177,510,341	-	177,510,341
Contracted services	18,936,027	50,906,668	69,842,695
Operating leases	16,907	200,582	217,489
Operational cost	6,814,935	21,607,963	28,422,898
Finance costs	1,775,493	-	1,775,493
Inventory cost	2,175,490	7,826,938	10,002,428
Irrecoverable debts written off	22,988	879,039	902,027
Total segment expenditure	222,361,742	194,806,985	417,168,727
Total segmental surplus/(deficit)	(13,636,743)	(119,013,134)	(132,649,877)
Total Municipality's expenditure			1,076,432,499
Entity's surplus (deficit) for the period			(71,854,596)

KZN216 Ray Nkonyeni Municipality

(Registration number KZN216)

Trading as Ray Nkonyeni

Municipality

Annual Financial Statements for the year ended 30 June
2025

Notes to the Annual Financial Statements

	Technical Services	Community Services	Total
50. Segment information (continued)			
Assets			
Current assets	306,280,602	-	306,280,602
Non-current assets	76,784,464	-	76,784,464
Total segment assets	383,065,066	-	383,065,066
Unallocated assets			2,215,457,889
Total assets as per Statement of financial Position			2,598,522,955
Liabilities			
Current liabilities	151,983,116	126,258,607	278,241,723
Non-current liabilities	12,930,286	-	12,930,286
Total segment liabilities	164,913,402	126,258,607	291,172,009
Unallocated liabilities			389,741,586
Total liabilities as per Statement of financial Position			680,913,595

Following a change in the composition of its reportable segments, the corresponding items of segment information for earlier periods has been restated.

2024

	Technical Services	Community Services	Total
Revenue			
Revenue from non-exchange transactions	548,841	5,084,000	5,632,841
Revenue from exchange transactions	189,209,910	71,302,696	260,512,606
Total segment revenue	189,758,751	76,386,696	266,145,447
Other unallocated revenue 1			1,194,138,208

Figures in Rand

50. Segment information (continued)

Municipality's Revenue			1,460,283,655
Expenditure			
Salaries and wages	13,213,377	100,875,837	114,089,214
Bulk purchases	142,879,822	-	142,879,822
Contracted services	15,344,543	48,493,917	63,838,460
Operating leases	486,043	5,243,692	5,729,735
Operational cost	5,760,367	23,614,793	29,375,160
Inventory cost	58,664	9,188,524	9,247,188
Finance costs	1,930,661	-	1,930,661
Total segment expenditure	179,673,477	187,416,763	367,090,240
Total segmental surplus/(deficit)	10,085,274	(111,030,067)	(100,944,793)
Unallocated expenses			986,010,501
Entity's surplus (deficit) for the period			107,182,914
Assets			
Current assets	250,994,770	-	250,994,770
Non-current assets	73,164,890	-	73,164,890
Total segment assets	324,159,660	-	324,159,660
Unallocated assets			2,543,271,080
Total assets as per Statement of financial Position			2,867,430,740
Liabilities			
Current liabilities	94,791,856	32,376,835	127,168,691
Non-current liabilities	12,930,286	-	12,930,286
Total segment liabilities	107,722,142	32,376,835	140,098,977
Unallocated liabilities			419,282,826
Total liabilities as per Statement of financial Position			559,381,803

50. Segment information (continued)

Following a change in the composition of its reportable segments, the corresponding items of segment information for earlier periods has been restated.

51. Accounting by principals and agents

The municipality was a party to a principal-agent arrangement(s).

Details of the arrangements are as follows:

Ray Nkonyeni Municipality entered into an agreement with KwaZulu Natal Department of Transport to act on its behalf. The agreement was entered into is for the execution of motor vehicle registration and licensing, learner and driving licence testing and vehicle testing functions on behalf of the department of transport. The municipality will be acting as an agent of the KwaZulu Natal Department of Transport. The municipality is entitled to a fee equal to the collection fee of 10% (ten percent), including VAT for all fees collected.

The municipality entered into tripartite agreements with the Department of Human Settlements. The roles and responsibilities stipulated in the agreement are assigned to the municipality and the implementing agent such as executing the project with due diligence and care and undertaking of the construction of top structures. Ray Nkonyeni Municipality was granted Level 1 accreditation by the Honorable MEC for Human Settlements, in accordance with the legal mandate of the MEC. the Municipality receives funding equivalent to 3% of expenditure incurred against the HSDG allocation, which is transferred on a quarterly basis at the end of each quarter.

Figures in Rand	2025	2024

51. Accounting by principals and agents (continued)

Entity as agent

Revenue recognised

The amount of revenue that the municipality recognised as compensation for the transactions carried out on behalf of the principal is 2025 R16 524 082: (2024 R19 544 393)

Additional information

Commission earned based on the rights and obligations established in the binding arrangement(s)

Commission Earned

Department of Human Settlements

Accreditation fees received	3,713,765	4,359,773

Department of Transport

Commission Earned	12,810,317	15,184,620

52. Awards made to a person who is a spouse, child or parent of a person in service of the state, or has been in the service of the state in the previous twelve months

Company and Relationship

Margate Construction relative employed at TVET college in Port Shepstone	17,210,895	59,094,535
Luyaneli Events (Pty)Ltd - Official at Ray Nkonyeni Municipality	677,721	854,036
Tower 13 Lifeguard services cc - Councillor at Ray Nkonyeni Municipality	-	273,055
Andrews Hire - Official at Ray Nkonyeni Municipality- Relative employed at Ray Nkonyeni Municipality	73,000	14,250
RDC Builders - relative employed at SAPS	2,609,903	5,266,812
	20,571,519	65,502,688

53. Construction Contracts Revenue

Integrated National Electrification Programme	6,836,522	283,930
Human Settlement	-	34,639,260
	6,836,522	34,923,190

Method used to determine the Revenue- Integrated National Electrification Programme

Revenue is recognised when conditions are met on INEP projects.

Method used to determine the stage of completion of contracts in progress

The municipality received tranches as per the National Treasury payment schedule. Projects are implemented per stage, and the contractors are also paid per stage.

Method used to determine the Revenue- Human Settlement

Revenue is determined on a claims basis where the municipality submits the claims to the Department of Human Settlement for expenditure incurred.

Method used to determine the stage of completion of contracts in progress

Subsidies are approved per site for a set amount which is determined by the department of Human Settlement. Projects are implemented per stage, and contractors are also paid per stage.

Figures in Rand

2025

2024

53. Construction Contracts Revenue (continued)

54. VAT payable

Tax payables	3,376,385	2,686,236

55. Accrued Interest from receivables

Interest from exchange transactions billing	10,415,314	8,154,821
Interest from exchange transactions collection	(2,592,476)	(1,981,303)
Interest from non-exchange transactions billing	36,019,898	31,858,238
Interest from non-exchange transactions collection	(10,771,120)	(11,921,703)
	33,071,616	26,110,053

56. Related parties

Relationships

UGU District Municipality

Inter governmental relations

South Coast Tourism and Investment Enterprise

Inter governmental relations

Councillors

Refer to the Councillors remuneration note

Key management personnel

Refer to the employee cost note

Audit Committee

The MFMA obliges every municipality to establish an independent audit committee, which must advise the municipal council, political office-bearers, accounting officer and management staff of the municipality, on matters relating to internal financial controls and internal audits, risk management, accounting policies, the adequacy, reliability and accuracy of financial reporting and information, performance management, effective governance, compliance with the MFMA, the annual Division of Revenue Act (DoRA) and any other applicable legislation, and any other issues referred to it by the municipality. The audit committee is governed by formal terms of reference (the Audit Committee Charter), which are regularly reviewed and approved by the council

Audit Committee Fees

Audit Committee Chairperson	158,019	139,499
Audit Committee Members	254,139	193,769
	412,158	333,268

The audit committee comprises of five (5) external, non-executive members.

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

Five (5) audit committee meetings were held since the beginning of this financial year. The audit committee held meetings with the accounting officer, senior management of the municipality, the internal audit function and the AGSA (external auditors) collectively and individually, on matters related to governance, internal control, and risk in the municipality, throughout the reporting period. The chairperson of the MPAC is a standard invitee to our meeting and is encouraged to attend some of our meetings. Representatives from the AGSA, and COGTA attended some of the audit committee meetings.

Related party balances

Grants to related parties

South Coast Tourism and Investment Enterprise	3,632,748	3,422,844

Figures in Rand	2025	2024

57. Change in estimate

Property, plant and equipment

A change in the estimated remaining useful life of various assets of the Municipality based on their conditional assessment conducted as at 30 June 2025 and resulted in the following decreases in the depreciation for property plant and equipment in the 2025 financial year and future periods:

The impact on the statement of financial performance (Depreciation) in 2025 financial year and future periods:

Machinery and Equipment	(782,034)	(260,511)
Furniture and Equipment	(570,410)	(123,996)
Motor Vehicles	(3,775,068)	(883,955)
Computer and Office Equipment	(1,734,300)	(140,739)
Infrastructure Assets	(2,420,986)	(2,427,265)
Community Assets	(1,930,008)	(3,402,241)
	(11,212,806)	(7,238,707)

Intangible Assets

A change in the estimated remaining useful life of various assets of the Municipality based on their conditional assessment conducted as at 30 June 2025 and resulted in the following decreases in the amortisation for intangible asset in the 2025 financial year and future periods:

The impact on the statement of financial performance (Amortisation) and statement of financial position accumulated amortisation in 2025 financial year and future period.

Increase/ (Decrease) Change in amortization	(17,343)	(217,088)

58. Prior period errors

Property Plant and Equipment and Investment Property

The municipality has done a process of land verification and has identified land that is used and belongs to the municipality that needs to be included in the land register in terms of GRAP 17. The municipality effected the correction on 30 June 2023 according to GRAP 3 "the entity shall restate the comparative information to correct the error retrospectively from the earliest date practicable.

The municipality has done a process of assets verification and has identified assets that is used and belongs to the municipality that needs to be included in the community assets register in terms of GRAP 17. During the assets verification, the municipality has identified assets recorded on community assets that were supposed to be investment property in the prior years. The municipality effected the correction on 30 June 2023 according to GRAP 3 "the entity shall restate the comparative information to correct the error retrospectively from the earliest date practicable.

There were municipal-owned properties that were leased out in the prior years for a consideration; however, the change of use was not considered in those years to apply the requirements of GRAP 16- Investment Property. This resulted in fair value not being determined for those years as required by GRAP 16 as the municipality was using the cost model for its Property, Plant and Equipment as allowed by GRAP 17. Therefore, during the asset verification, the municipality has identified assets that were supposed to be investment property in the prior years. The municipality effected the correction on 30 June 2023 according to GRAP 3 "the entity shall restate the comparative information to correct the error retrospectively from the earliest date practicable")

Figures in the 2024 column relate to the 2023 and prior financial years.:

Figures in Rand

2025

2024

58. Prior period errors (continued)

Statement of Financial Position

Increase/ (Decrease) in PPE- Cost -Community Asset	-	(35,968,282)
Increase/Decrease) in PPE_ Cost -Land	-	2,302,830
(Increase)/ Decrease in PPE Accumulated Depreciation -Community asset	548,851	33,599,786
(Increase)/ Decrease in PPE Accumulated Impairment -Community asset	9,971	1,284,880
Increase/(Decrease) in PPE Cost- Infrastructure	-	(26,075,139)
(Increase)/ Decrease in Net Assets	-	28,382,797
Increase / (Decrease) in FV Investment Property	2,673,796	(3,526,872)
	3,232,618	-

Statement of Financial Performance

Increase/Decrease) In Depreciation	(548,851)	-
Increase/(Decrease) In Impairment	(9,971)	-
(Increase) / Decrease in Fair value adjustment	(2,673,796)	-
	(3,232,618)	-

Integrated National Electrification Programme

During the preparation of the Annual Financial Statements National the municipality implemented mSCOA circular 16 issued by National Treasury as guidance in Accounting for The Integrated National Electrification Programme (INEP) Grant allocations.

Figures in the 2025 column relate to the 2023/24 financial year

Statement of Financial Performance

(Increase) / Decrease in Construction Revenue	(283,930)	-
Increase/ (Decrease) in Contracted Services	228,769	-
	(55,161)	-

Statement of Financial Position

Increase/ (Decrease) in VAT Receivable	34,315	-
(Increase) / Decrease in VAT Payable	(42,589)	-
(Increase) / Decrease in unspent conditional grant	63,435	-
	55,161	-

VAT Payable

Recognition of VAT impairment for impairment recognised on receivables from exchange transactions.

Statement of Financial Position

(Increase) / Decrease in VAT Payable	2,060,508	-

Statement of Financial Performance

Increase/Decrease) in Impairment	(2,060,508)	-

Receivables from exchange transactions

Agency services revenue for the 2023/24 financial year was received and allocated in the 2024/25 financial year, and therefore a debt was raised in the 2023/24 financial for the agency services revenue due to the municipality. During the 2024/25 Financial year audit, management revised the calculation for the impairment provision and the recalculation resulted in the following prior year correction as disclosed below

Statement of Financial Position

Figures in Rand	2025	2024
58. Prior period errors (continued)		
Increase /(Decrease) Receivables from exchange transactions	(6,112,889)	(79,524,858)
(Increase) /Decrease in VAT Payable	858,789	10,372,808
(Increase)/ Decrease in Net Assets -Accumulated Surplus	-	69,152,050
	(5,254,100)	-
Statement of Financial Performance		
(Increase)/Decrease in Agency Services	(947,814)	-
Increase/Decrease) in Impairment	6,201,914	-
	5,254,100	-

Payables from exchange transactions

Contractor appointed to upgrade main Harding road was terminated and the retention held for the project was forfeited in the prior year.

Unknown deposits older than 3 years have been recognised as revenue in the 2023/24 FY and unknown deposits prior to the 2020 financial year have been written off against accumulated surplus.

Figures in the 2025 column relate to the 2023/24 financial year, Figures in the 2024 column relate to the 2023 and prior financial years

Statement of Financial Position		
(Increase) /Decrease Payables - Retentions	3,968,470	-
Increase /(Decrease) VAT Receivable	(517,627)	-
(Increase) /Decrease Unknown deposits-	2,055,692	9,928,299
(Increase)/ Decrease in Net Assets -Accumulated Surplus	-	(9,928,299)
	5,506,535	-
Statement of financial performance		
(Increase)/Decrease Fines, Penalties and Forfeits	(5,506,535)	-

Unspent Conditional Grant

During the preparation of 2024/2025 financial statements, unrecognised revenue was identified for the small town rejuvenation grant as conditions were met due to expenditure incurred in the prior year.

Figures in the 2025 column relate to the 2023/24 financial year

Statement of Financial Position		
(Increase) / Decrease in Unspent conditional grant	1,377,516	-
Statement of financial performance		
(Increase) / Decrease in Government Grant and Subsidies	(1,377,516)	-

Property Plant and Equipment- Movable assets

During the 2024/2025 physical verification of assets, assets incorrectly classified were identified and corrected.

Figures in the 2025 column relate to the 2023/24 financial year

Statement of Financial Position		
(Increase/Decrease) Machinery Cost	(98,818)	-
(Increase/Decrease) Machinery Accumulated Depreciation	112,699	-
(Increase/Decrease) Furniture & Fittings Cost	29,566	-

Figures in Rand	2025	2024
58. Prior period errors (continued)		
(Increase/Decrease) Furniture & Fittings Accumulated Depreciation	(44,775)	-
(Increase/Decrease) Computer & Office Equipment Cost	69,252	-
(Increase/Decrease) Computer & Office Equipment Accumulated Depreciation	(67,924)	-
	-	-
Statement of financial performance		
(Increase/Decrease) Machinery Depreciation	4,215	-
(Increase/Decrease) Furniture & Fittings Depreciation	(2,723)	-
(Increase/Decrease) Computer Equipment Depreciation	(1,492)	-
	-	-

Receivables from Non-exchange transactions

During the 2024/25 Financial year audit, management revised the calculation for the impairment provision and the recalculation resulted in the following prior year correction as disclosed below.

Statement of Financial Position		
(Increase) /Decrease Accumulated provision for Impairment	(10,788,175)	(234,458,394)
(Increase)/ Decrease in Net Assets -Accumulated Surplus	-	234,458,394
	(10,788,175)	-
Statement of financial performance		
Increase/Decrease) in Impairment	10,788,175	-

59. Comparative figures

Certain comparative figures have been reclassified.

The effects of the reclassification are as follows:

Figures in Rand	2025	2024
59. Comparative figures (continued)		
Agency Services		
Audited Amount	-	11,002,587
Correction of Error	-	947,814
Reclassification from licences and permits from non-exchange	-	8,330,278
	-	20,280,679
Depreciation and amortisation		
Audited Amount	-	89,321,628
Correction of Error	-	(548,852)
	-	88,772,776
Impairments		
Audited Amount	-	103,559,489
Correction of error	-	14,919,611
	-	118,479,100
Receivables from exchange transactions		
Audited Amount	-	134,253,996
Correction of error	-	(85,637,747)
	-	48,616,249
Investment property		
Audited Amount	-	395,905,550
Correction of error	-	(853,075)
	-	395,052,475
Property, plant and equipment		
Audited Amount	-	1,927,298,194
Correction of error	-	(24,297,104)
	-	1,903,001,090
Construction contracts		
Audited Amount	-	34,639,260
Correction of error	-	283,930
	-	34,923,190
Fair value adjustments		
Audited Amount	-	36,062,800
Correction of error	-	2,673,797
	-	38,736,597
Contracted services		
Audited Amount	-	218,213,224
Correction of error	-	228,769
	-	218,441,993
VAT Receivable		
Audited Amount	-	196,457,016

Figures in Rand	2025	2024
59. Comparative figures (continued)		
Correction of error	-	(483,311)
Reclassification from VAT Payable	-	(136,982,790)
	-	58,990,915
VAT Payable		
Audited Amount	-	152,921,153
Correction of error	-	(13,252,127)
Reclassification to VAT Receivable	-	(136,982,790)
	-	2,686,236
Accumulated surplus		
Audited Amount	-	2,315,787,708
Correction of error	-	(325,874,881)
	-	1,989,912,827
Fines, Penalties and Forfeits		
Audited Amount	-	20,598,006
Correction of error	-	5,506,535
	-	26,104,541
Government grants & subsidies		
Audited Amount	-	511,103,019
Correction of error	-	1,377,516
	-	512,480,535
Unspent Conditional Grants and receipts		
Audited Amount	-	2,255,163
Correction of error	-	(1,377,516)
	-	877,647
Licences and Permits from non-exchange		
Audited Amount	-	9,059,580
Reclassification to Agency Services	-	(8,330,278)
	-	729,302
Payables from exchange transactions		
Audited Amount	-	172,221,104
Correction of Error	-	(15,952,451)
	-	156,268,653
Receivables from Non-exchange transactions		
Audited Amount	-	309,162,903
Correction of Error	-	(245,246,569)
	-	63,916,334
60. Unauthorised expenditure		
Add: Unauthorised expenditure - current	188,232,340	-

Figures in Rand

60. Unauthorised expenditure (continued)

The over expenditure incurred by municipal departments during the year is attributable to the following categories:

Non-cash	100,714,654	-
Cash	87,517,686	-
	188,232,340	-

Analysed as follows: non-cash

Impairment	85,771,168	-
Depreciation and Amortisation	5,557,656	-
Bad debts written off	8,768,277	-
Inventory Consumed	617,553	-
	100,714,654	-

Analysed as follows: cash

Employee related costs	41,271,076	-
Bulk purchases	23,960,393	-
Finance cost	20,316,587	-
Remuneration of councillors	1,969,630	-
	87,517,686	-

61. Fruitless and wasteful expenditure

Opening balance as previously reported	31,342	31,342
Add: Fruitless and wasteful expenditure identified - current	13,935	7,281
Less: Amount written off - current	(10,180)	(7,281)
Closing balance	35,097	31,342

Details of fruitless and wasteful expenditure

	Disciplinary steps taken/criminal proceedings		
Eskom interest	None	13,785	7,122
UGU Accounts Interest	None	150	159
		13,935	7,281

62. Irregular expenditure

Opening balance as previously reported	85,284,072	423,217,632
Add: Irregular expenditure - current	5,120,375	185,793,157
Less: Amount written off - current	-	(136,432,171)
Less: Amount written off - prior period	(49,360,985)	(387,294,546)
Closing balance	41,043,462	85,284,072

Incidents/cases identified/reported in the current year include those listed below:

Cases under investigation

Municipal Finance Management Act	35,923,087	35,923,087

Figures in Rand

63. Additional disclosure in terms of Municipal Finance Management Act

Contributions to organised local government

Current year subscription / fee	5,459,996	5,117,442
Amount paid - current year	(5,459,996)	(5,117,442)
	-	-

Audit fees

Current year subscription / fee	6,023,127	5,821,678
Amount paid - current year	(6,023,127)	(5,821,678)
	-	-

PAYE and UIF

Current year subscription / fee	89,309,549	69,567,623
Amount paid - current year	(89,309,549)	(69,567,623)
	-	-

Pension and Medical Aid Deductions

Current year subscription / fee	120,074,784	111,579,265
Amount paid - current year	(120,074,784)	(111,579,265)
	-	-

VAT

VAT receivable	35,369,128	58,990,915
VAT payable	(3,376,385)	(2,686,236)

All VAT returns have been submitted by the due date throughout the year.

Figures in Rand

63. Additional disclosure in terms of Municipal Finance Management Act (continued) Councillors' arrear consumer accounts

The following Councillors' accounts had arrear accounts outstanding for more than 90 days at 30 June 2025: The municipality deducts arrears on a monthly basis as per policy guided by legislation, currently there is no debt outstanding beyond 120 days.

30 June 2025	Outstanding less than 90 days	Outstanding more than 90 days	Total
Account number:0001101325	3,632	460	4,092
Account number:0003004337	1,266	431	1,697
Account number:0004020305	777	559	1,336
Account number:0004029240	1,154	474	1,628
	6,829	1,924	8,753

30 June 2024	Outstanding less than 90 days	Outstanding more than 90 days	Total
Account number: 0004005915	893	517	1,410
Account number: 0001101325	2,076	863	2,939
Account number: 0001165934	1,372	1,054	2,426
Account number: 0004029240	1,036	979	2,015
Account number: 0004020305	742	701	1,443
Account number: 0003004337	1,282	4,872	6,154
Account number: 0004529021	1,332	1,903	3,235
	8,733	10,889	19,622

64. Utilisation of Long-term liabilities reconciliation

Long-term liabilities raised	15,056,207	17,010,025

Long-term liabilities have been utilized in accordance with the Municipal Finance Management Act. Sufficient cash has been set aside to ensure that long-term liabilities can be repaid on redemption date.

65. Deviation from supply chain management regulations

Paragraph 12(1)(d)(i) of Government gazette No. 27636 issued on 30 May 2005 states that a supply chain management policy must provide for the procurement of goods and services by way of a competitive bidding process.

Paragraph 36 of the same gazette states that the accounting officer may dispense with the official procurement process in certain circumstances, provided that he records the reasons for any deviations and reports them to the next meeting of the Council and includes a note to the annual financial statements.

Emergency s36(1)(a)(i)	580,098	1,241,567
Sole Supplier s36(1)(a)(ii)	3,465,842	3,026,304
Special works of art or historical objects where specifications are difficult to compile s(36(1)(a)(iii)	50,000	100,255
Impractical or impossible to follow the official procurement process s36(1)(a)(v)	8,759,488	5,512,250
	12,855,428	9,880,376

Figures in Rand

66. Housing Development Fund

Housing Development Fund	33,242,603	39,593,077

67. Budget differences

Material differences between budget and actual amounts

The reasons for Revenue and Expenditure above 10% or below 10% between budget and actual amounts have been explained below:

Sales of goods- Olympic Pool ticket increased with the Margate olympic pool being repaired increase the revenue anticipated from ticket sales for the period.

Construction Contracts- Revenue budget was inclusive of VAT as INEP was budgeted for as a grant and the VAT being zero rated, mSCOA circular 16 guides the municipality to account for both VAT input and Output respectively and record the revenue excluding VAT as construction revenue.

Rental of Facilities- Property rental revenue is contingent on rentals requested within a period.

Operational Revenue- Operational revenue largely comprises of sheriff recovery fees billed to consumers accounts for fees incurred by the sheriff's office in attempts to recover outstanding debt and recovery revenue is based on the fees incurred by the sheriff's office and paid by the municipality.

Interest received- investment- Investment revenue is directly linked to the availability of surplus funds and the prevailing interest rates. The lower-than-expected investment income suggests that the municipality had less surplus cash available for investment than originally forecasted, this is due to higher operational expenditures, delayed revenue inflows and increased in service delivery demands.

Licences and permits (Non- exchange)- The introduction of online motor vehicle licences such as banking apps licence renewal options has reduced revenue earned from licences and permits for the period.

Fines, Penalties and Forfeits - Fines are contingent on law infringements identified in each period like traffic fines and municipal by-laws which will have an impact on the actual revenue billed for the year.

Agency Services- Agency services commission from the department of transport for motor vehicle registration renewals was incorrectly budgeted under licences and permits resulting in the increase in agency services.

Contracted services -The low expenditure on contracted services is primarily attributable to the Maintenance Plan and the Estuary Management Plans, both of which are classified under Consultants and Professional Services. The delay in the Maintenance Plan arose due to a hold-up in the submission process by the Development Planning Department Services. Furthermore, the Estuary Management Plans could not progress as the tender process had to be re-advertised owing to non-responsiveness from service providers.

Transfers and Subsidies- The variance is a result of deliberate financial management decisions taken by the municipality in response to its current constrained financial position. As part of prudent fiscal control measures, the municipality opted to cut certain non-essential donations and discretionary transfers, thereby generating cost savings on this expenditure line. This approach was adopted to safeguard the municipality's financial sustainability until its financial health improves and allows for the full resumption of such developmental support.

Inventory consumed- The variance is primarily attributable to the lower-than-anticipated consumption of inventories across various municipal departments. Inventories typically include consumable goods such as stationery, cleaning materials, maintenance supplies, and other operational materials required for day-to-day municipal activities and service delivery.

Recoveries- Recoveries for employee cost incurred for employees seconded to the UGU district. **Public contributions and donations-** The municipality received a donation from BP Southern Africa for fuel infrastructure assets for the Airport.

67. Rep a i r s and Maintenance Related Expenditure (continued)

Finance Costs- The municipality acquired additional assets on a finance lease agreement which has resulted in an increased interest cost as interest is higher than capital repayments in the beginning of a financing agreement.

Bad debts written off- Receivables for employee cost in advance was written off by council increase the total for bad debt written off in the current year and the budget was for bad debts written off for consumers.

Fair value adjustments- The current fair value gain is based on the current year's market property valuations.

68. Rep a i r s and Maintenance Related Expenditure

Employee related cost	48,691,429	44,452,492
Contracted services	75,110,459	66,153,272
Operational cost	11,279,856	14,719,753
Operating leases	16,907	15,615
Inventory Consumed	2,363,604	244,943
	137,462,255	125,586,075

ANNEXTURE C
ANNUAL PERFORMANCE REPORT
2024-2025

RAY NKONYENI MUNICIPALITY ANNUAL
PERFORMANCE REPORT 2024-2025

National KPA	Strategic Objective	ID P No .	Strategy	Measurable Objective/Output	Performanc e Measure/Indicator (Unit of Measure)	Dem and	Baseline (Previous Year Actuals)	Back log	Unit of Measure	2023 - 24			2024 - 25			Responsi ble Section	Respon sible Depart ment	Financi al Implica tion (R)	GUID No.	Ward s	Portfolio of evidence	Moved/Tran sferred Indicators	Challeng es	Correctiv e measures
										SDBI P Targ et	Actual Achieve ment	Progr ess made	Ann ual SDBI P Targ et	Annual Actual Achieve ment	Progr ess made									
Municipal Transform ation & Organisat ional Developm ent	To attract and retain skilled employee s	A(i ii)	To develop all policies and strategies and also to ensure effective & efficient human resources managem ent	Number of programmes faciitated on HR by 30 June 2025	Number of reports on Employment equity stats submitted to Portfolio	N/A	4	N/A	Numbe r	4	4	Achie ved	4	4	Achie ved	HR	Corporat e Services	N/A	N/A	Inter nal	Report to Portfolio/Portfoli o Minutes	N/A	N/A	N/A
Municipal Transform ation & Organisat ional Developm ent	To be an innovativ e organisati on with improved performa nce	A (iv)	To effectively manage distributio n of agenda in time	Implementation of secretariat support services during 2024 - 2025	Turnaround time for agenda circulation for Council, EXCO and Portfolio Committees	N/A	72hrs	N/A	Hrs	72hrs	72hrs	Achie ved	72hrs	72hrs	Achie ved	Meeting Administrat ion	Corporat e Services	N/A	N/A	Inter nal	Distribution lists	N/A	N/A	N/A
Municipal Transform ation & Organisat ional Developm ent	To be an innovativ e organisati on with improved performa nce	A (iv)	To have an efficiently run registry	Implementation of secretariat support services during 2024 - 2025	No of reports submitted on municipal administrativ e functions provided by the section	N/A	4	N/A	Numbe r	4	4	Achie ved	4	4	Achie ved	Meeting Administrat ion	Corporat e Services	N/A	N/A	Inter nal	Quarterly Report to Manco / Portfolio	N/A	N/A	N/A

Municipal Transform ation & Organisat ional Developm ent	To ensure ongoing human resource developm ent.	A (ii)	To promote skills developm ent and training within the workplace	Number of programmes facilitated on HR by 30 June 2025	% of WSP expenditure allocation spent	N/A	88%	N/A	Percent age	80%	88%	Achie ved	80%	100%	Achie ved	HR	Corporat e Services	R 2 000 000	N/A	Inter nal	Expenditure report / purchase orders	N/A	N/A	N/A
Municipal Transform ation & Organisat ional Developm ent	To ensure on-going human resource developm ent	A (ii)	To ensure that municipali ty assists youth with further education al developm ents and rewards excellenc e through various initiatives	Number of programmes facilitated aimed at students by 30 June 2025	No. of interns/ inservice training students within municipality	N/A	20	N/A	Numbe r	20	20	Achie ved	20	20	Achie ved	Youth	Strategic Planning & Governan ce	R 6 000 000	N/A	All Ward s	Salaries Print out/ List of Students	N/A	N/A	N/A
Municipal Transform ation & Organisat ional Developm ent	To foster effective and efficient Inter-Governmen tal Relations (IGR)	A (i)	To ensure that the customer service centre is operating efficiently and stakehold er relations are improved	Reports submitted on Customer care analysis by 30 June 2025	No. of monthly customer service centre analysis reports submitted	N/A	10	N/A	Numbe r	10	10	Achie ved	10	10	Achie ved	Customer Care & Stakeholde r Relations	Strategic Planning & Governan ce	N/A	N/A	Inter nal	Report to portfolio committee or Minutes of the portfolio	N/A	N/A	N/A
Municipal Transform ation & Organisat ional Developm ent	To ensure ongoing human resource developm ent.	A (ii)	To provide effective and effiecient IT services	Number of ICT programmes implemented to allow for improved systems within municipality by 30 June 2025	No. of ICT Steering Committee meetings held	N/A	4	N/A	Numbe r	4	4	Achie ved	4	4	Achie ved	IT	Corporat e Services	N/A	N/A	Interr nal	Attendance Register and Programme	N/A	N/A	N/A
Good Governan ce and Public Participa tion	To promote and uphold principles of good governan ce and legal complian ce	D (iv)	Provide effective and efficient IT services	Number of ICT programmes implemented to allow for improved systems within municipality by 30 June 2025	IT Policies reviewed and adopted	N/A	9	N/A	Numbe r	6	9	Achie ved	6	11	Achie ved	IT	Corporat e Services	N/A	N/A	Interr nal	Council Resolution	N/A	N/A	N/A

Good Governance and Public Participation	To promote and uphold principles of good governance and legal compliance	D (iv)	To ensure that municipality has effective and efficient fleet management processes in place	Number of programmes implemented to administer fleet management by 30 June 2025	Date Fleet Management Policy reviewed	N/A	25-Jun-24	N/A	Date	30-Jun-24	25-Jun-24	Achieved	30-Jun-25	27-May-25	Achieved	Asset and Fleet Management	Treasury		N/A	N/A	Internal	Reviewed Fleet Management policy & Council Resolution	N/A	N/A	N/A
Good Governance and Public Participation	To promote and uphold principles of good governance and legal compliance	D (iv)	To ensure that municipality has effective and efficient fleet management processes in place	Number of programmes implemented to administer fleet management by 30 June 2025	No of Fleet Management policy workshop held.	N/A	4	N/A	Number	4	4	Achieved	4	4	Achieved	Asset and Fleet Management	Treasury		N/A	N/A	Internal	Attendance Register	N/A	N/A	N/A
Good Governance and Public Participation	To promote and uphold principles of good governance and legal compliance	D (iv)	To ensure that municipality has effective and efficient fleet management processes in place	Number of programmes implemented to administer fleet management by 30 June 2025	No. of reports submitted on management of municipal fleet	N/A	7	N/A	Number	4	7	Achieved	4	12	Achieved	Asset and Fleet Management	Treasury		N/A	N/A	Internal	Fleet expenditure summary report	N/A	N/A	N/A
Good Governance and Public Participation	To promote and uphold principles of good governance and legal compliance	D (iv)	To have IDP developed within statutory provisions	Finalising all IDP related processes by 30 June 2025	Date IDP process plan approved by Council	N/A	29-Aug-23	N/A	Date	31-Aug-23	29-Aug-23	Achieved	31-Aug-24	27-Aug-24	Achieved	Strategic Planning	Development and Planning Services	N/A		N/A	Internal	Council resolution	N/A	N/A	N/A
Good Governance and Public Participation	To promote and uphold principles of good governance and legal	D (iv)	To have IDP developed within statutory provisions	Finalising all IDP related processes by 30 June 2025	Date final IDP approved	N/A	21-May-24	N/A	Date	31-May-24	21-May-24	Achieved	31-May-25	27-May-25	Achieved	Strategic Planning	Development and Planning Services	R 80 000		N/A	Internal	Council resolution	N/A	N/A	N/A

	compliance																							
Good Governance and Public Participation	To promote and uphold principles of good governance and legal compliance	D (iv)	To have IDP developed within statutory provisions	Finalising all IDP related processes by 30 June 2025	Date final ward based plans approved	NA	21-May-24	N/A	Date	31-May-24	21-May-24	Achieved	31-May-25	27-May-25	Achieved	Strategic Planning	Development and Planning Services	N/A	N/A	Internal	Council resolution	N/A	N/A	N/A
Municipal Transformation & Organisational Development	To be an innovative organisation with improved performance	A (iv)	To ensure that the customer service centre is operating efficiently and stakeholder relations are improved	Reports submitted on Customer care analysis by 30 June 2025	No. of monthly reports submitted to the Service Delivery Cluster Committee	N/A	N/A	N/A	Number	N/A	N/A	N/A	6	6	Achieved	Customer Care & Stakeholder Relations	Strategic Planning & Governance	N/A	N/A	Internal	Report to Service Delivery Cluster Committee	N/A	N/A	N/A
Good Governance and Public Participation	To promote and uphold principles of good governance and legal compliance	D (iv)	To ensure implementation of an effective OPMS	Number of review reports submitted to EXCO by 30 June 2025	No. of quarterly performance review reports submitted to EXCO	N/A	4	N/A	Number	4	4	Achieved	4	4	Achieved	Performance Monitoring & Evaluation	Strategic Planning & Governance	N/A	N/A	Internal	Minutes of EXCO	N/A	N/A	N/A
Good Governance and Public Participation	To promote and uphold principles of good governance and legal compliance	D (iv)	To produce a credible Annual Report	All annual report processes finalised and report adopted by 31 March 2025	Date Annual Report adopted by Council	N/A	26-Mar-24	N/A	Date	31-Mar-24	26-Mar-24	Achieved	31-Mar-25	25-Mar-25	Achieved	Performance Monitoring & Evaluation	Strategic Planning & Governance	N/A	N/A	Internal	Council resolution	N/A	N/A	N/A

Good Governance and Public Participation	To promote a culture of participatory democracy	D (i)	To ensure there is effective and open dialogue	Number of Programmes aimed at Public participation facilitated by 30 June 2025	No. of ward functionality reports submitted to CoGTA	N/A	4	N/A	Number	4	4	Achieved	4	4	Achieved	Public Participation	Strategic Planning & Governance	N/A	N/A	N/A	Functionality report	N/A	N/A	N/A
Good Governance and Public Participation	To promote a culture of participatory democracy	D (i)	To ensure there is effective and open dialogue with local community	Number of Programmes aimed at Public participation facilitated by 30 June 2025	No. of Mayoral Izimbizo held	NA	9	N/A	Number	9	9	Achieved	9	9	Achieved	Public Participation	Strategic Planning & Governance	R 800 000	N/A	N/A	Public Notice &/ or Attendance Register	N/A	N/A	N/A
Good Governance and Public Participation	To promote and safeguard the municipal brand	D (vii)	To ensure that the image of the municipality is enhanced through effective branding mechanisms	Facilitate processes to manage media and communication tools during 2024 - 2025	Date mayoral welcoming roadblock held	N/A	14-Dec-23	N/A	Date	15-Dec-23	14-Dec-23	Achieved	13-Dec-24	13-Dec-24	Achieved	Mayoralty & Communications	Strategic Planning & Governance	R 300 000	N/A	All Wards	Report to portfolio committee	N/A	N/A	N/A
Good Governance and Public Participation	To promote human rights and social upliftment of vulnerable groups and address moral regeneration need	D (vi)	To provide support towards improved quality of education and lives of learners	Number of projects implemented to assist vulnerable groups by 30 June 2025	No. of schools that benefitted from the back to school campaign (Uniform, sanitary towels and stationery)	NA	16	NA	Number	15	16	Achieved	15	Not Done	Not Achieved	Special Programmes	Strategic Planning & Governance	R 800 000	N/A	All Wards	Stamped and signed proof of receipt by schools/report to PC	N/A	Procurement processes delayed. The tender for this programme was advertised but when it came to the bid-committee phase,the tender was cancelled then later was re-advertised.the service provider has not been	Campaigns will commence in the next financial year (2025/2026)

																							appointed to date	
Good Governance and Public Participation	To promote human rights and social upliftment of vulnerable groups and address moral regeneration need	D (vi)	To ensure that the elderly are empowered through various social programmes.	Number of projects implemented to assist vulnerable groups by 30 June 2025	No. of Walking sticks issued to the Eldery	NA	502	N/A	Number	500	502	Achieved	500	Not Done	Not Achieved	Special Programmes	Strategic Planning & Governance	R 100 000	N/A	All Wards	Signed register/report to PC	N/A	An email was sent by the Accounting Officer stating that all procurements must be put on hold until further notice, in order to accommodate the abitation award.	Communication was sent to the Accounting Officer requesting directive to continue with projects. The project was not approved by the Accounting Officer due to funds being redirected towards staff compensation , however this project is budgeted for the next financial year 2025/2026 .
Good Governance and Public Participation	To promote and safeguard the municipal brand	D (vii)	To ensure effective internal and external communication	Facilitate processes to manage media and communication tools during 2024 - 2025	No. of Isigcawu newsletter publications	NA	4	N/A	Number	4	4	Achieved	4	4	Achieved	Mayoralty & Communications	Strategic Planning & Governance	R 170 000	N/A	All Wards	Copy of the published newsletter	N/A	N/A	N/A

Good Governance and Public Participation	To promote and safeguard the municipal brand	D (vii)	To ensure effective internal and external communication	Facilitate processes to manage media and communication tools during 2024 - 2025	No. of confirmed Mayoral Radio slots for RNM	NA	14	N/A	Number	11	14	Achieved	11	12	Achieved	Mayoralty & Communications	Strategic Planning & Governance	R 1 300 000	N/A	All Wards	Copy (Audio) of the recordings of the interviews	N/A	N/A	N/A
Good Governance and Public Participation	To promote and uphold principles of good governance and legal compliance	D (iv)	To ensure effective administration of the budgeting process and reporting within legislated framework	Number of budget related submissions made by 30 June 2025	Date final budget & related policies approved by council	N/A	21-May-24	N/A	Date	31-May-24	21-May-24	Achieved	31-May-25	27-May-25	Achieved	Budget and Reporting	Treasury	N/A	N/A	Internal	Council resolution	N/A	N/A	N/A
Good Governance and Public Participation	To promote and uphold principles of good governance and legal compliance	D (iv)	To ensure effective administration of the budgeting process and reporting within legislated framework	Number of budget related submissions made by 30 June 2025	Date Mid-Year-Budget and Performance Assessment submitted to Council	N/A	10-Jan-24	N/A	Date	25-Jan-24	10-Jan-24	Achieved	25-Jan-25	21-Jan-25	Achieved	Budget and Reporting	Treasury	N/A	N/A	Internal	Mid-year assessment report / Council Resolution	N/A	N/A	N/A
Good Governance and Public Participation	To promote and uphold principles of good governance and legal compliance	D (iv)	To ensure effective administration of the budgeting process and reporting within legislated framework	Number of budget related submissions made by 30 June 2025	No. of monthly budget statements (s71 reports)	N/A	12	N/A	Number	12	12	Achieved	12	12	Achieved	Budget and Reporting	Treasury	N/A	N/A	Internal	National treasury proof of submission and acknowledgment of receipt by the Mayor	N/A	N/A	N/A
Good Governance and Public Participation	To promote and uphold principles of good governance and legal compliance	D (iv)	To ensure that council asset register is updated & compliant	Number of programmes implemented to manage municipal assets by 30 June 2025	No of updated assets register reports submitted	N/A	12	N/A	Number	12	12	Achieved	12	12	Achieved	Asset and Fleet Management	Treasury	N/A	N/A	Internal	Assets register summary	N/A	N/A	N/A

Municipal Financial Viability & Management	To Improve revenue, cost, reduction & Management of debt	E (ii)	To maintain debt coverage below the norm of 45%	Financial ratio coverage achieved by 30 June 2025	Debt coverage ratio	N/A	25%	N/A	Percent age	< 45%	25%	Achieved	>45 %	1490%	Achieved	Budget and Reporting	Treasury	N/A	N/A	Internal	Monthly Report	N/A	N/A	N/A
Good Governance and Public Participation	To promote and uphold principles of good governance and legal compliance	D (iv)	To ensure that AFS are prepared & submitted to the Auditor-General in line with MFMA	Submission of AFS and audit finalised by August 2024	Date AFS submitted to AG	N/A	31-Aug-23	N/A	Date	31-Aug-23	31-Aug-23	Achieved	31-Aug-24	31-Aug-24	Achieved	Budget and Reporting	Treasury	N/A	N/A	Internal	Aknowledgement of receipt by the Auditor-General	N/A	N/A	N/A
Good Governance and Public Participation	To promote and uphold principles of good governance and legal compliance	D (iv)	To ensure effective Implementation of the Revenue Enhancement Strategy	Number of programmes facilitated to improve revenue collection and cash management by 30 June 2025	No. of reviewed policies adopted	N/A	15	N/A	Number	5	15	Achieved	5	5	Achieved	Revenue Management	Treasury	N/A	N/A	Internal	Council Resolution	N/A	N/A	N/A
Good Governance and Public Participation	To promote a culture of participatory democracy	D (i)	To ensure effective usage of library facilities	Number of programmes facilitated to promote library usage within local communities by 30 June 2025	No. of library material circulation	N/A	135 824	N/A	Number	120 000	135 824	Achieved	80 000	113 442	Achieved	Arts & Culture	Community Services	R 100 000	100/260035	All Wards	Month End Reports Statistics (Library circulations statistics)	N/A	N/A	N/A
Good Governance and Public Participation	To promote a culture of participatory democracy	D (i)	To promote empowered communities with Cyber Cadet Careers	Number of programmes facilitated to enhance computer knowledge and access to internet by 30 June 2025	Number of cybercadet workshops conducted	N/A	20	N/A	Number	8	20	Achieved	12	16	Achieved	Arts & Culture	Community Services	R 25 000	100/260532	All Wards	Attendance register	N/A	N/A	N/A
Good Governance and Public Participation	To promote a culture of participatory democracy	D (i)	To promote a culture of participatory & social cohesion	Number of programmes facilitated to promote social cohesion and nation building by 30 June 2025	Number of creative programmes conducted	N/A	11	N/A	Number	4	11	Achieved	3	8	Achieved	Arts & Culture	Community Services	R 100 000	N/A	N/A	Attendance Register	N/A	N/A	N/A

Good Governance and Public Participation	To promote a culture of participatory democracy	D (i)	To extend library services to rural areas	Number of outreach programmes facilitated to promote culture of reading by 30 June 2025	Number of library outreach programmes	N/A	14	N/A	Number	8	14	Achieved	12	18	Achieved	Arts & Culture	Community Services	R 40 000	N/A	N/A	Attendance Register	N/A	N/A	N/A
Service Delivery	To provide access to basic services	B (ii)	To ensure that municipal owned vacant plots are well maintained	Implement projects to provide waste removal, street cleaning, verge & plot maintenance during 2024 - 2025	Number of gardens maintained	N/A	56	N/A	Number	48	56	Achieved	12	12	Achieved	Education & Waste Minimisation	Community Services	R 550 000	N/A	All Wards	Weekly plans/ Monthly reports	N/A	N/A	N/A
Good Governance and Public Participation	To promote a culture of participatory democracy	D (i)	To promote local artwork	Number of programmes facilitated to promote arts and culture by 30 June 2025	Number of visual art exhibitions held	N/A	4	N/A	Number	4	4	Achieved	4	4	Achieved	Arts & Culture	Community Services	R 100 000	094/2604 40	All Wards	Monthly Reports	N/A	N/A	N/A
Cross Cutting issues	To create sustainable and resilient settlements	F (i)	To ensure that communities are aware of their role regarding waste minimisation	Number of programmes facilitated that assist with waste minimisation by 30 June 2025	Number of campaigns conducted at schools	N/A	8	N/A	Number	8	8	Achieved	8	14	Achieved	Education & Waste Minimisation	Community Services	R 100 000	N/A	All Wards	Attendance Register & Programme	N/A	N/A	N/A
Cross Cutting issues	To create sustainable and resilient settlements	F (i)	To decrease waste from landfill site through usage of recycling	Number of programmes facilitated that assist with waste minimisation by 30 June 2025	Amount of tonnage recycled	N/A	1739,87	N/A	Number	1500	1739,87	Achieved	1500	1808,18	Achieved	Education & Waste Minimisation	Community Services	R 100 000	N/A	All Wards	Monthly Reports	N/A	N/A	N/A
Cross Cutting issues	To create sustainable and resilient settlements	F (i)	To establish a well maintained Landfill site	Number of programmes facilitated that assist with waste minimisation by 30 June 2025	Number of compliance Audits conducted on Oatland Landfill site management	N/A	4	N/A	Number	4	4	Achieved	4	3	Not Achieved	Education & Waste Minimisation	Community Services	R7 000 000	N/A	All Wards	Internal/External Audit Report	N/A	The appointed Engineer did not fulfill his obligation. Currently awaiting quotations from Environmental	The municipality is awaiting quotations for conducting the External Audit.

																							Companies to conduct the audit.	
Cross Cutting issues	To create sustainable and resilient settlements	F (i)	To ensure that strategic entrance points to RNM are beautified	Number of programmes facilitated that assist with waste minimisation by 30 June 2025	No. of gardens/parks established in strategic areas	N/A	2	N/A	Number	1	2	Achieved	1	1	Achieved	Education & Waste Minimisation	Community Services	R 550 000	N/A	N/A	Invoices by appointed service providers	N/A	N/A	N/A
Service Delivery	To provide access to basic services	B (ii)	To ensure that Privately owned vacant plots are well maintained	Implement projects to provide waste removal, street cleaning, verge & plot maintenance during 2024 - 2025	Number of Plots cleared	N/A	190	4	Number	140	190	Achieved	113	137	Achieved	Education & Waste Minimisation	Community Services	R 1 950 000	N/A	All Wards	Invoices/ Completion Certificate	N/A	N/A	N/A
Cross Cutting issues	To create sustainable and resilient settlements	F (i)	To ensure that communities are aware of their role regarding waste minimisation	Number of programmes facilitated that assist with waste minimisation by 30 June 2025	Number of education campaigns conducted with communities	N/A	8	N/A	Number	4	8	Achieved	4	8	Achieved	Education & Waste Minimisation	Community Services	R 100 000	N/A	All Wards	Attendance Register & Programme	N/A	N/A	N/A
Good Governance and Public Participation	To ensure a safe and crime free municipality.	D (v)	To ensure that licensing services are provided efficiently	Number of projects aimed at improving road compliance by 30 June 2025	Number of learner license tests conducted	N/A	7 157	N/A	Number	4800	7 157	Achieved	4800	5 617	Achieved	Motor Licencing Bureau	Public Safety	Internal	N/A	All Wards	Examiners Records	N/A	N/A	N/A
Good Governance and Public Participation	To ensure a safe and crime free municipality.	D (v)	To ensure that licensing services are provided efficiently	Number of projects aimed at improving road compliance by 30 June 2025	Number of drivers tests conducted	N/A	2728	N/A	Number	1440	2728	Achieved	1200	2389	Achieved	Motor Licencing Bureau	Public Safety	Nil	N/A	All Wards	Examiners Records	N/A	N/A	N/A
Good Governance and Public Participation	To ensure a safe and crime free municipality.	D (v)	To ensure that licensing services are provided efficiently	Number of projects aimed at improving road compliance by 30 June 2025	Number of drivers licences renewed	N/A	15 925	N/A	Number	1200 0	15 925	Achieved	9000	12 632	Achieved	Motor Licencing Bureau	Public Safety	Nil	N/A	All Wards	RD323 Reports	N/A	N/A	N/A

Good Governance and Public Participation	To ensure a safe and crime free municipal ity.	D (v)	To ensure that licensing services are provided efficiently	Number of projects aimed at improving road compliance by 30 June 2025	Number of motor vehicle Permits Issued i.e Temporary and Special	N/A	2785	N/A	Numbe r	1800	2785	Achie ved	1600	2511	Achie ved	Motor Licencing Bureau	Public Safety	Nil	N/A	All Ward s	RD323 Reports	N/A	N/A	N/A
Good Governance and Public Participation	To ensure a safe and crime free municipal ity.	D (v)	To ensure complianc e of business in terms of traffic laws	Number of projects aimed at improving law enforcement and visibility of protection services by 30 June 2025	Number of Rank Permit Enforcement	N/A	103	N/A	Numbe r	60	103	Achie ved	60	86	Achie ved	Law Enforceme nt	Public Safety	Internal Budget	N/A	All Ward s	Printout from TRAFMAN	N/A	N/A	N/A
Good Governance and Public Participation	To ensure a safe and crime free municipal ity.	D (v)	To ensure that licensing services are provided efficiently	Number of projects aimed at improving road compliance by 30 June 2025	Number of motor vehicle licences renewed	N/A	68 097	N/A	Numbe r	60 000	68 097	Achie ved	30 000	56 403	Achie ved	Motor Licencing Bureau	Public Safety	Nil	N/A	All Ward s	R323 Reports	N/A	N/A	N/A
Good Governance and Public Participation	To ensure a safe and crime free municipal ity.	D (v)	To ensure complianc e with the Firearms & Ammuniti on Control Act	Number of projects aimed at improving law enforcement and visibility of protection services by 30 June 2025	Number of firearm inspections done by SAPS	N/A	4	N/A	Numbe r	4	4	Achie ved	4	4	Achie ved	Law Enforceme nt	Public Safety	Nil	N/A	All Ward s	Inspection Report	N/A	N/A	N/A
Good Governance and Public Participation	To ensure a safe and crime free municipal ity.	D (v)	To ensure complianc e with the Firearms & Ammuniti on Control Act	Number of projects aimed at improving law enforcement and visibility of protection services by 30 June 2025	Number of firearm shooting practice sessions conducted	N/A	2	2	Numbe r	2	2	Achie ved	2	16	Achie ved	Law Enforceme nt	Public Safety	Nil	N/A	All Ward s	Attendance register	N/A	N/A	N/A
Good Governance and Public Participation	To ensure a safe and crime free municipal ity.	D (v)	To ensure complianc e with the Firearms & Ammuniti on Control Act	Number of projects aimed at improving law enforcement and visibility of protection services by 30 June 2025	Number of zonal /VIP Firearm Inspections Conducted	N/A	96	N/A	Numbe r	96	96	Achie ved	96	96	Achie ved	Law Enforceme nt	Public Safety	Nil	N/A	All	Firearm Inspection Sheet	N/A	N/A	N/A
Good Governance and Public Participation	To ensure a safe and crime free municipal ity.	D (v)	To ensure the reduction of illegal dumping, littering & pollution by implement	Number of projects aimed at improving law enforcement and visibility of protection services by 30 June 2025	Number of fines issued for contravening by-laws	N/A	9 188	17	Numbe r	8 000	9 188	Achie ved	8 000	8 631	Achie ved	Law Enforceme nt	Public Safety	Internal Budget	N/A	All	Printout from TRAFMAN	N/A	N/A	N/A

			ing by-laws.																					
Good Governance and Public Participation	To ensure a safe and crime free municipality.	D (v)	To ensure reduced crime statistics as per Crime Prevention Programme	Number of projects aimed at improving law enforcement and visibility of protection services by 30 June 2025	Number of Law Enforcement Operations held (Crime Prevention Operation)	N/A	1288	N/A	Number	1,000	1288	Achieved	1,000	1575	Achieved	Law Enforcement	Public Safety	Internal Budget	N/A	All	Law Enforcement Operational Plan Approved by Superintendent Law Enforcement	N/A	N/A	N/A
Good Governance and Public Participation	To ensure a safe and crime free municipality.	D (v)	To ensure the reduction of speed violations	Number of projects aimed at improving law enforcement and visibility of protection services by 30 June 2025	Number of parking fines issued	N/A	14 312	N/A	Number	8 000	14 312	Achieved	8 000	9 914	Achieved	Law Enforcement	Public Safety	Internal Budget	N/A	All	Printout from TRAFMAN	N/A	N/A	N/A
Good Governance and Public Participation	To ensure a safe and crime free municipality.	D (v)	To have effective security management & monitoring	Number of projects aimed at improving law enforcement and visibility of protection services by 30 June 2025	Number of buildings & Sites guarded	N/A	394	N/A	Number	384	394	Achieved	96	96	Achieved	Law Enforcement	Public Safety	Internal Budget	N/A	Various Wards	Monthly reports	N/A	N/A	N/A
Good Governance and Public Participation	To ensure a safe and crime free municipality.	D (v)	To ensure compliance of business in terms of traffic laws	Number of projects aimed at improving law enforcement and visibility of protection services by 30 June 2025	Number of inspections conducted	N/A	173	N/A	Number	40	173	Achieved	40	262	Achieved	Law Enforcement	Public Safety	Internal Budget	N/A	All Wards	Records of Inspections	N/A	N/A	N/A
Good Governance and Public Participation	To promote and uphold principles of good governance and legal compliance	D (iv)	To have effective security management & monitoring	Number of projects aimed at improving law enforcement and visibility of protection services by 30 June 2025	Number of warrant roadblocks conducted	N/A	57	N/A	Number	48	57	Achieved	48	50	Achieved	Public Transport & Administration	Public Safety	Internal Budget	N/A	All Wards	Authorisation report approved by Superintendent/ Manager	N/A	N/A	N/A

Good Governance and Public Participation	To promote and uphold principles of good governance and legal compliance	D (iv)	To have effective security management & monitoring	Number of projects aimed at improving law enforcement and visibility of protection services by 30 June 2025	Number of Rank Permit Issued	N/A	513	NA	Number	60	513	Achieved	60	475	Achieved	Public Transport & Administration	Public Safety	Internal Budget	N/A	All Wards	Receipt/Printout from TRAFMAN	N/A	N/A	N/A
Good Governance and Public Participation	To ensure a safe and crime free municipality.	D (v)	To ensure compliance of business in terms of traffic laws	Number of projects aimed at improving law enforcement and visibility of protection services by 30 June 2025	% of Blue Flag Beaches monitored by Law Enforcement Staff	N/A	100%	N/A	Percentage	100%	100%	Achieved	100%	100%	Achieved	Law Enforcement	Public Safety	Internal Budget	N/A	All Wards	Daily Deployment Registers	N/A	N/A	N/A
Good Governance and Public Participation	To promote and uphold principles of good governance and legal compliance	D (iv)	To have effective security management & monitoring	Number of projects facilitated that impact on disaster management and visibility of protection services by 30 June 2025	Number of Fire Inspections conducted regarding new buildings, existing buildings & businesses	N/A	321	N/A	Number	240	321	Achieved	240	372	Achieved	Fire & Disaster Services	Public Safety	Internal Budget	N/A	All Wards	Records of Fire Inspections	N/A	N/A	N/A
Good Governance and Public Participation	To promote and uphold principles of good governance and legal compliance	D (iv)	To ensure that orderly planning is promoted and is within legal framework	Number of programmes facilitated to assist with planning and development processes by 30 June 2025	Percentage of building plans processed in accordance with the NBR within 30 & 60 days of receipt of completed application.	NA	100%	N/A	Percentage	100%	100%	Achieved	100%	100%	Achieved	Building Control	Development and Planning Services	Nil	N/A	All Wards	Report to PC	N/A	N/A	N/A
Cross Cutting issues	To promote and enhance planned development and land administration	F(ii)	To ensure that orderly planning is promoted and is within legal framework	Number of programmes facilitated to assist with planning and development processes by 30 June 2025	Number of site inspections conducted by Building Inspectors	NA	10 361	N/A	Number	7500	10 361	Achieved	7500	9680	Achieved	Building Control	Development and Planning Services	Nil	N/A	All Wards	Report to PC	N/A	N/A	N/A

Cross Cutting issues	To promote and enhance planned development and land administration	F (ii)	To ensure that orderly planning is promoted and is within legal framework	Number of programmes facilitated to assist with planning and development processes by 30 June 2025	Percentage of occupancy certificates issued in accordance with NBR within 14 days of final inspection.	NA	100%	N/A	Percentage	100%	100%	Achieved	100%	100%	Achieved	Building Control	Development and Planning Services	Nil	N/A	All Wards	Report to PC	N/A	N/A	N/A
Good Governance and Public Participation	To promote and uphold principles of good governance and legal compliance	D (iv)	To have effective security management & monitoring	Number of projects aimed at improving law enforcement and visibility of protection services by 30 June 2025	Number of Section 341, Section 56, Section 54 & Notice Before Summons Documents, Taxi Permits & Disabled Permits Procured	N/A	127 000	N/A	Number	52000	127 000	Achieved	52000	115 750	Achieved	Public Transport & Administration	Public Safety	Internal Budget	N/A	All Wards	Completion Certificate	N/A	N/A	N/A
Good Governance and Public Participation	To promote and uphold principles of good governance and legal compliance	D (iv)	To have effective security management & monitoring	Number of projects aimed at improving law enforcement and visibility of protection services by 30 June 2025	Number of Data Captured Cases	N/A	38 133	N/A	Number	30000	38 133	Achieved	30000	36 387	Achieved	Public Transport & Administration	Public Safety	Internal Budget	N/A	All Wards	Printout from TRAFMAN	N/A	N/A	N/A
Good Governance and Public Participation	To promote and uphold principles of good governance and legal compliance	D (iv)	To have effective security management & monitoring	Number of projects aimed at improving law enforcement and visibility of protection services by 30 June 2025	Number of cases issued on the court roll	N/A	7450	N/A	Number	4800	7450	Achieved	4800	8533	Achieved	Public Transport & Administration	Public Safety	Internal Budget	N/A	All Wards	Copy of Court Rolls	N/A	N/A	N/A
Cross Cutting issues	To create sustainable and resilient settlements	F (i)	To ensure efficient response to emergency incidents	Number of projects facilitated that impact on disaster management and visibility of protection services by 30 June 2025	Number of emergency incidents responded to	N/A	1449	N/A	Number	420	1449	Achieved	420	1215	Achieved	Fire & Disaster Services	Public Safety	Internal Budget	N/A	All Wards	Records of emergency incidents	N/A	N/A	N/A

Municipal Financial Viability & Management	To ensure effective and efficient management of Council assest and Propertie s	E (i)	To conduct Site Inspection s of Municipal Buildings & Projects	Number of programmes facilitated on administering municipal estates by 30 June 2025	Date the Policy on the Managemen t and Disposal of the Ray Nkonyeni Municipality' s Immovable Properties reviewed	N/A	21-May-24	N/A	Date	30-Jun-24	21-May-24	Achie ved	30-Jun-25	22-Apr-25	Achie ved	Estates	Corporat e Services	N/A	N/A	Inter nal	Council Resolution	N/A	N/A	N/A
Municipal Financial Viability & Management	To ensure effective and efficient management of Council assest and Propertie s	E (i)	To conduct Site Inspection s of Municipal Buildings & Projects	Number of programmes facilitated on administering municipal estates by 30 June 2025	Number of Site Inspections conducted on Council owned leased premises	N/A	452	N/A	Numbe r	400	452	Achie ved	400	454	Achie ved	Estates	Corporat e Services	N/A	N/A	Exter nal	Inspection reports/Manco minutes	N/A	N/A	N/A
Municipal Financial Viability & Management	To ensure effective and efficient management of Council assest and Propertie s	E (i)	To conduct Site Inspection s of Municipal Buildings & Projects	Number of programmes facilitated on administering municipal estates by 30 June 2025	Number of Site Inspections conducted on Council owned vacant properties	N/A	200	N/A	Numbe r	200	200	Achie ved	200	204	Achie ved	Estates	Corporat e Services	N/A	N/A	Inter nal	Inspection reports/Manco minutes	N/A	N/A	N/A
Municipal Financial Viability & Management	To improve revenue, cost, reduction & manage ment of debts	E (ii)	To improve collection rate and monitorin g of relevant financial tools	Number of programmes facilitated to improve revenue collection and cash management by 30 June 2025	% collection rate achieved	N/A	90%	N/A	Percent age	90%	90%	Achie ved	90%	91%	Achie ved	Revenue Manageme nt	Treasury	N/A	N/A	Inter nal	Billing /collection summary report	N/A	N/A	N/A
Municipal Financial Viability & Management	To improve revenue, cost, reduction & manage ment of debts	E (ii)	To improve collection rate and monitorin g of relevant financial tools	Number of programmes facilitated to improve revenue collection and cash management by 30 June 2025	Cost coverage ratio	N/A	0,34	0,66	Ratio	1 mnth	0,34	Not Achie ved	0.2 mnth	0.12mnt h	Achie ved	Revenue Manageme nt	Treasury	N/A	N/A	Inter nal	Monthly report	N/A		
Municipal Financial Viability & Management	To improve revenue, cost, reduction	E (ii)	To effectively manage council	Processes put in place to manage valuation process by 30 June 2025	Date supplementa ry valuation roll finalised	N/A	19-Apr-24	N/A	Date	31-May-24	19-Apr-24	Achie ved	31-May-25	07-Mar-25	Achie ved	Revenue Manageme nt	Treasury	N/A	N/A	Inter nal	Public Notice/ email from valuer	N/A	N/A	N/A

	& manage ment of debts		bank records																					
Municipal Financial Viability & Managem ent	To ensure an Efficient & Effective Manage ment of Council assets & Propertie s	E (i)	To account for all council assets	Number of programmes implemented to manage municipal assets by 30 June 2025	No. of physical verifications performed on council assets	N/A	1	N/A	Numbe r	1	1	Achie ved	1	1	Achie ved	Asset and Fleet Manageme nt	Treasury	R 3 470 000	532-260-305	Inter nal	Updated asset register summary	N/A	N/A	N/A
Municipal Financial Viability & Managem ent	To improve revenue, cost, reduction & manage ment of debts	E (ii)	To ensure effective assistanc e of indigents & Implemen tation of the Indigent Policy	Implementation of SCM processes during 2024 - 2025	No. of SCM quarterly Reports submitted	N/A	4	N/A	Numbe r	4	4	Achie ved	4	4	Achie ved	Supply Chain Manageme nt	Treasury	N/A	N/A	Inter nal	Quarterly report	N/A	N/A	N/A
Municipal Financial Viability & Managem ent	To improve revenue, cost, reduction & manage ment of debts	E (ii)	To implement control mechanis ms that ensure that irregular expenditu re is reduced	Implementation of SCM processes during 2024 - 2025	Number of reports on Irregular Expenditure monitoring submitted	N/A	12	N/A	Numbe r	12	12	Achie ved	12	12	Achie ved	Supply Chain Manageme nt	Treasury	N/A	N/A	Inter nal	Irregular Expenditure Reports	N/A	N/A	N/A
Municipal Financial Viability & Managem ent	To improve revenue, cost, reduction & manage ment of debts	E (ii)	To effectively manage procurem ent by implement ing SCM policies and ensure effective reporting	Implementation of SCM processes during 2024 - 2025	No. of reports on use of section 36 submitted to finance portfolio	N/A	12	N/A	Numbe r	12	12	Achie ved	12	12	Achie ved	Supply Chain Manageme nt	Treasury	N/A	N/A	Inter nal	Monthly report	N/A	N/A	N/A
Municipal Financial Viability & Managem ent	To improve revenue, cost, reduction & manage	E (ii)	To implement control mechanis ms that ensure that	Implementation of SCM processes during 2024 - 2025	No. of reports on Salaries and Allowances submitted	N/A	12	N/A	Numbe r	12	12	Achie ved	12	12	Achie ved	Expenditur e Manageme nt	Treasury	N/A	N/A	Inter nal	Monthly report	N/A	N/A	N/A

	ment of debts		irregular expenditure is reduced																					
Municipal Financial Viability & Management	To ensure expenditure on long-term capital infrastructure project plans	E (iii)	To ensure that there is an effective project planning and management enabling development of infrastructure and public amenities	Number of projects facilitated to improve delivery of human settlements by 30 June 2025	% of Capital Funding spent on Infrastructure Capital Programmes (IUDG)	N/A	100%	N/A	Percentage	100%	100%	Achieved	100%	100%	Achieved	Project Finance and Contract Management	Technical Services	N/A	N/A	All Wards	Proof of Payments and amount spent within the vote. Capital expenditure report (Mscoa)	N/A	N/A	N/A
Municipal Financial Viability & Management	To improve revenue, cost reduction and management of debt	E (ii)	To ensure full compliance with MFMA and RNM Policies regarding Procurement	Number of projects facilitated to improve delivery of human settlements by 30 June 2025	Number of reports submitted to COGTA regarding claims and Implementation plan	N/A	12	N/A	Number	12	12	Achieved	12	12	Achieved	Project Finance and Contract Management	Technical Services	N/A	N/A	Internal	Monthly claims schedule to COGTA	N/A	N/A	N/A
Local Economic Development	To promote sustainable livelihoods & enhance the fight against poverty	C (V)	To ensure effective Implementation of the MPRA	Processes put in place to manage valuation process by 30 June 2025	% of indigent households supported as per indigent register	N/A	100%	N/A	Percentage	100%	100%	Achieved	100%	100%	Achieved	Revenue Management	Treasury	R 839 460	N/A	Various Wards	Monthly report	N/A	N/A	N/A
Municipal Transformation & Organisational Development	To ensure ongoing human resource development.	A (ii)	To provide acceptable EAP & Wellness initiatives	Number of programmes facilitated on employee wellness and other assistance programmes by 30 June 2025	Number of workshops held on conditions of service, DC and Wellness	N/A	14	N/A	Number	8	14	Achieved	8	9	Achieved	Labour Relations & Wellness	Corporate Services	N/A	N/A	Internal	Attendance Register and Programme	N/A	N/A	N/A
Cross Cutting issues	To create sustainable and resilient settlements	F (i)	To conduct Site Inspections of Municipal	Number of OHS programmes facilitated by 30 June 2025	No. of Site Inspections for OHS conducted	N/A	80	N/A	Number	80	80	Achieved	80	80	Achieved	Labour Relations & Wellness	Corporate Services	N/A	N/A	All	Signed Inspection Forms	N/A	N/A	N/A

			Buildings & Projects																						
Cross Cutting issues	To create sustainable and resilient settlements	F (i)	To ensure well informed communities	Number of projects facilitated that impact on disaster management and visibility of protection services by 30 June 2025	Number of disaster management awareness campaigns held	N/A	16	N/A	Number	12	16	Achieved	12	15	Achieved	Fire & Disaster Services	Public Safety	Internal Budget	N/A	All	Attendance Register	N/A	N/A	N/A	
Cross Cutting issues	To create sustainable and resilient settlements	F (i)	To ensure that there are effective and efficient environmental management processes in place.	Number of projects facilitated on environmental management matters by 30 June 2025	No. of environmental audits on existing municipal projects conducted	NA	13	N/A	Number	12	13	Achieved	12	19	Achieved	Environmental Management & Signage Control	Development and Planning Services	Nil	N/A	All Wards	Report to PC	N/A	N/A	N/A	
Cross Cutting issues	To create sustainable and resilient settlements	F (i)	To ensure that there are effective and efficient environmental management processes in place.	Number of projects facilitated on environmental management matters by 30 June 2025	No. of Environmental Education and Awareness Campaigns conducted	NA	13	N/A	Number	6	13	Achieved	4	18	Achieved	Environmental Management & Signage Control	Development and Planning Services	Nil	N/A	All Wards	Report to PC	N/A	N/A	N/A	
Cross Cutting issues	To promote and enhance planned development and land administration	F (ii)	To ensure that orderly planning is promoted and is within legal framework	Number of programmes facilitated to assist with planning and development processes by 30 June 2025	Percent of Land Use (complete) Applications processed within 180 Days	NA	95%	N/A	Percentage	90%	95%	Achieved	90%	90,2%	Achieved	Town Planning	Development and Planning Services	Nil	N/A	All Wards	Report to PC	N/A	N/A	N/A	

Good Governance and Public Participation	To promote and uphold principles of good governance and legal compliance	D (iv)	To ensure that processes are in place that ensure proper signage control regulations are maintained	Number of projects facilitated on environmental management matters by 30 June 2025	Percent signage applications processed within 10 days on receipt of complete application	NA	100%	N/A	Percent age	100 %	100%	Achie ved	100 %	100%	Achie ved	Environmental Management & Signage Control	Development and Planning Services	Nil	N/A	All Wards	Approval letters	N/A	N/A	N/A
Good Governance and Public Participation	To promote and uphold principles of good governance and legal compliance	D (iv)	To ensure fully functional airports that boosts tourism and economic activity	Maintenance of compliance with SACAA and upgrade of airport during 2024-2025	Percent compliance with SACAA regulations maintained	NA	100%	N/A	Percent age	100 %	100%	Achie ved	100 %	100%	Achie ved	Margate Airport	Development and Planning Services	Nil	N/A	Ward 6	SACAA License/CAA application form + proof of submission	N/A	N/A	N/A
Local Economic Development	To promote sustainable livelihoods and enhance the fight against poverty	C (v)	To ensure assistance is provided to emerging enterprises and that there is a conducive environment for sustained growth	Number of projects implemented focused on SMMEs/Crafters /informal businesses by 30 June 2025	Number of projects supported in line with Poverty Alliviation Plan	N/A	6	N/A	Number	5	6	Achie ved	28	30	Achie ved	LED	Development and Planning Services	R 1 200 000	N/A	Various Wards	Report to PC	N/A	N/A	N/A
Local Economic Development	To create an enabling environment to grow businesses, cooperatives and SMMEs	C (ii)	To ensure assistance is provided to emerging enterprises and that there is a conducive environment for sustained growth	Number of projects implemented focused on SMMEs/Crafters /informal businesses by 30 June 2025	Date Annual Film Development Workshop Conducted	NA	15-Sep-23	N/A	Date	31-Dec-23	15-Sep-23	Achie ved	31-Dec-24	18-Oct-24	Achie ved	LED	Development and Planning Services	R 100 000	Internal	Various Wards	Workshop Attendance Register	N/A	N/A	N/A

Cross Cutting issues	To promote and enhance planned development and land administration	F (ii)	To ensure that orderly planning is promoted and is within legal framework	Number of programmes facilitated to assist with planning and development processes by 30 June 2025	Date Spatial Development Framework Review	N/A	21-May-24	N/A	Date	30-May-24	21-May-24	Achieved	30-Jun-25	27-May-25	Achieved	Town Planning	Development and Planning Services	Nil	N/A	All Wards	Council Resolution	N/A	N/A	N/A
Cross Cutting issues	To promote and enhance planned development and land administration	F (ii)	To ensure that Ray Nkonyeni community benefits from innovation programmes and investments	Number of projects facilitated with developing processes by 30 June 2025	Number of entities or persons assisted in Technology and Innovation Programme	NA	2	N/A	Number	2	2	Achieved	1	1	Achieved	Techno Hub	Development and Planning Services	R 600 000	N/A	Various Wards	List of Approved entities/ persons for support	N/A	N/A	N/A
Cross Cutting issues	To promote and enhance planned development and land administration	F (ii)	To ensure that Ray Nkonyeni community benefits from innovation programmes and investments	Number of projects facilitated with developing processes by 30 June 2025	Number of Investment Promotions Presentation made to potential Investors / developers	NA	5	N/A	Number	4	5	Achieved	2	2	Achieved	Techno Hub	Development and Planning Services	N/A	N/A	Various Wards	Report to PC	N/A	N/A	N/A
Local Economic Development	To promote sustainable livelihoods and enhance the fight against poverty	C (v)	To provide access to alternative energy to indigent community of Ray Nkonyeni	Number of projects aimed at improving electricity distribution, connection and access to alternative energy sources by 30 June 2025	No. of households benefitting from gel distribution	N/A	5864	N/A	Number	5732	5864	Achieved	8664	8796	Achieved	Electrical	Technical Services	R 3 737 718	N/A	N/A	Proof of Receipt signed by Cllr	N/A	N/A	N/A
Local Economic Development	To grow the economy of the municipality through investment attraction and tourism	C (i)	To achieve Blue Flag Status on RNM Beaches	Blue flag compliance maintained in approved beaches during 2024 - 2025	Number of RNM Beaches with Blue Flag Status	N/A	5	N/A	Number	5	5	Achieved	5	6	Achieved	Aquatic Safety	Community Services	R 900 000	53d432c7-5d06-4d53-a785-f29995840060	All Wards	Blue Flag Certificates	N/A	N/A	N/A

	developm ent																							
Local Economi c Develop ment	To grow the economy of the municipal ity through investme nt attraction and tourism developm ent	C (i)	To ensure fresh water swimming pools are serviced to suitable conditions	Beach facilities maintained and improved by 30 June 2025	Number of fresh water swimming pools serviced	N/A	8	N/A	Numbe r	8	8	Achie ved	8	9	Achie ved	Aquatic Safety	Communi ty Services	R 500 000	164e4e6 5-7b56- 4201- bd41- 620fbdcd 099ea	All Ward s	Practical Completion certificates/ Approved Invoices	N/A	N/A	N/A
Local Economi c Develop ment	To create an enabling environm ent to grow business es, cooperati ves and SMMEs	C (ii)	To ensure assistanc e is provided to emerging enterprise s and that there is a conducive environm ent for sustained growth	Number of projects implemented focused on SMMEs/Crafters /informal businesses by 30 June 2025	Date Business Licencing empowerme nt workshop conducted	NA	07-Mar- 24	N/A	Date	31- Mar- 23	07-Mar- 24	Achie ved	31- Mar- 25	25-Mar- 25	Achie ved	LED	Develop ment and Planning Services	R 50 000	Internal	Vario us Ward s	Workshop Attendance Register	N/A	N/A	N/A
Local Economi c Develop ment	To create an enabling environm ent to grow business es, cooperati ves and SMMEs	C (ii)	To ensure assistanc e is provided to emerging enterprise s and that there is a conducive environm ent for sustained growth	Number of projects implemented focused on SMMEs/Crafters /informal businesses by 30 June 2025	Number of SMMEs & Co- operatives supported in line with entrepreneur ship support programme	NA	37	N/A	Numbe r	35	37	Achie ved	20	30	Achie ved	LED	Develop ment and Planning Services	R 6 100 000	Internal	Vario us Ward s	Report to PC with list of Approved SMMEs	N/A	N/A	N/A
Local Economi c Develop ment	To grow the economy of the municipal ity through investme nt	C(i)	To ensure that Ray Nkonyeni communit y benefits from innovation programm es and	Number of projects facilit ed with develop ing processes by 30 June 2025	Date of review of Municipal attraction investment strategy	NA	NA	N/A	Date	N/A	N/A	N/A	30- Jun- 25	24-Jun- 25	Achie ved	Techno Hub	Develop ment and Planning Services	N/A	N/A	Vario us Ward s	Council Resolution	N/A	N/A	N/A

	attraction and tourism development		investments																					
Local Economic Development	To create an enabling environment to grow businesses, cooperatives and SMMEs	C (ii)	To ensure assistance is provided to emerging enterprises and that there is a conducive environment for sustained growth	Number of projects implemented focused on SMMEs/Crafters /informal businesses by 30 June 2025	Date Business Licensing Advertorial issued	NA	28-Jul-23	N/A	Date	30-Sep-23	28-Jul-23	Achieved	30-Sep-24	26-Jul-24	Achieved	LED	Development and Planning Services	R 5000	Internal	Various Wards	Newspaper Advert/Municipal notice	N/A	N/A	N/A
Local Economic Development	To drive job creation initiatives	C (iii)	To ensure municipality creates a conducive environment for job creation	Number of projects facilitated to promote job creation and sustainable livelihoods by 30 June 2025	Number of jobs created through various initiatives for the year	N/A	1083	N/A	Number	900	1083	Achieved	900	910	Achieved	EPWP	Community Services	R 9 418 000	N/A	All Wards	Monthly reports sent to Province	N/A	N/A	N/A
Municipal Transformation & Organisational Development	To ensure on-going human resource development	A (ii)	To ensure that municipality assists youth with further educational developments and rewards excellence through various initiatives	Number of programmes facilitated aimed at students by 30 June 2025	No. of Career Guidance or Exhibitions held	NA	2	N/A	Number	2	2	Achieved	2	17	Achieved	Youth	Strategic Planning & Governance	R 50 000	N/A	All Wards	Attendance register/ Report to Portfolio Committee	N/A	N/A	N/A
Municipal Transformation & Organisational Development	To ensure on-going human resource development	A (ii)	To ensure that municipality assists youth with further educational developments and rewards excellence	Number of programmes facilitated aimed at students by 30 June 2025	Date Matric Excellence recognition programmes held	NA	25-Jan-24	N/A	Date	31-Mar-24	25-Jan-24	Achieved	31-Mar-25	30-Jan-25	Achieved	Youth	Strategic Planning & Governance	R 150 000	N/A	All Wards	Attendance register/ Report to Portfolio Committee	N/A	N/A	N/A

			e through various initiatives																					
Municipal Transform ation & Organisat ional Developm ent	To ensure on-going human resource developm ent	A (ii)	To ensure that municipali ty assists youth with further education al developm ents and rewards excellenc e through various initiatives	Number of programmes facilitated aimed at RNM youth by 30 June 2025	Date Youth Summit held	NA	26-Jan-24	N/A	Date	31-Mar-24	26-Jan-24	Achie ved	31-Mar-25	01-Mar-25	Achie ved	Youth	Strategic Planning & Governa nce	R 600 000	N/A	All Ward s	Report to Portfolio Committee/ Exco Resolution	N/A	N/A	N/A
Local Economi c Develop ment	To facilitate participati on of youth and previousl y disadvant aged individual s in the economy.	C (vi)	To ensure that municipali ty assists youth with further education al developm ents and rewards excellenc e through various initiatives	Number of programmes facilitated aimed at youth owned SMMEs by 30 June 2025	No. of Young Entreprenue rs funded	NA	28	N/A	Numbe r	10	28	Achie ved	10	31	Achie ved	Youth	Strategic Planning & Governa nce	R 2 000 000	N/A	All Ward s	Final List of Approved beneficiaries/rep ort to portfolio committee	N/A	N/A	N/A
Service Delivery	To facilitate the provision of housing	B (v)	To provide decent housing to citizens of Ray Nkonyeni	Number of projects facilitated to improve delivery of human settlements by 30 June 2025	No. of houses built in the Rural Housing Programme	N/A	353	N/A	Numbe r	290	353	Achie ved	160	217	Achie ved	Human Settlement s	Technica l Services	R 32 550 000	N/A	Ward 4, 5, 14, 20, 21, 22, 23, 25, 26, 27 & 28	Top Structure certificate of completion / P4	N/A	N/A	N/A
Cross Cutting issues	To create sustainab le and resilient settlemen ts	F (i)	To provide decent housing to citizens of Ray Nkonyeni	Number of projects facilitated to improve delivery of human settlements by 30 June 2025	Number of housing Consumer education workshop held with	N/A	4	N/A	Numbe r	4	4	Achie ved	4	4	Achie ved	Human Settlement s	Technica l Services	N/A	N/A	Vario us Ward s	Workshop agenda or attendance register	N/A	N/A	N/A

					affected communities																				
Service Delivery	To provide access to basic services	B (ii)	To ensure effective removal of refuse from residential areas	Implement projects to provide waste removal, street cleaning, verge & plot maintenance during 2024 - 2025	Number of households provided with refuse removal services	N/A	28 008	N/A	Number	25 000	28 008	Achieved	25 000	27 922	Achieved	Cleansing & Waste Management Depot North & South	Community Services	R 7 000 000	N/A	All Wards	Revenue Billing report	N/A	N/A	N/A	
Service Delivery	To ensure existing infrastructure is maintained and improved.	B (i)	To ensure rehabilitation and maintenance of roads	Number of road maintenance projects implemented by 30 June 2025	No. of m² of Road surface repairs	N/A	105136.355m²	N/A	Number (m²)	77 000 m²	105136.355m²	Achieved	77 000 m²	79539.363m²	Achieved	Roads	Technical Services	R 23 000 000	N/A	N/A	Operations Weekly Reports	N/A	N/A	N/A	
Service Delivery	To extend the provision of basic services and infrastructure to rural areas.	B (iii)	To ensure rehabilitation and maintenance of roads	Number of road maintenance projects implemented by 30 June 2025	No. of km's graded	N/A	2587.47km	N/A	Number	1900 km	2587.47km	Achieved	1900 km	1902.546 km	Achieved	Roads	Technical Services	R 265 000 000	N/A	N/A	Operations Weekly Reports	N/A	N/A	N/A	
Service Delivery	To ensure existing infrastructure is maintained and improved.	B (i)	To maintain an efficient storm water system	Number of road maintenance projects implemented by 30 June 2025	No. of meters of storm water systems maintained	N/A	38509.18m	N/A	Number	12 000 m	38509.18m	Achieved	12 000 m	19052.79m	Achieved	Roads	Technical Services	R 6 000 000	N/A	N/A	Operations Weekly Reports	N/A	N/A	N/A	

Service Delivery	To ensure existing infrastructure is maintained and improved.	B (i)	To provide access to electricity to the community of RNM	Number of projects aimed at improving electricity distribution, connection and access to alternative energy sources by 30 June 2025	No. of households with access to electricity within municipal area of supply	N/A	2 000	N/A	Number	2000	2 000	Achieved	2000	2011	Achieved	Electrical	Technical Services	R 153 549 948	N/A	N/A	Revenue Billing List	N/A	N/A	N/A
Service Delivery	To improve delivery of capital projects through investment in infrastructure development	B (iv)	To construct Bridges	Number of capital projects implemented to improve service delivery within the community by 30 June 2025	No. of bridge structures constructed	N/A	1	2	Number	3	1	Not Achieved	3	2	Not Achieved	Project Management Unit	Technical Services	R 7 500 000	N/A	Ward 6, 12, 20, 21 & 32	Practical Completion certificate	N/A	Nkangeni Vehicular Bridge project in Ward 25 has had rain delays and could not be completed by 15 January 2025 as planned, contractor suffered further delays and applied for a further extension of time	Nkangeni Bridge extension of time lapsed on 4th June 2025, and the contractor has submitted an intention to claim for further extension of time due to cashflow challenges they faced which delayed the completion of the project. The anticipated completion will be at the end of August 2025
Service Delivery	To extend the provision of basic services and infrastructure to rural areas.	B (iii)	To ensure rehabilitation and maintenance of roads	Number of capital projects implemented to improve service delivery within the community by 30 June 2025	No. of Km's of roads rehabilitated	N/A	5,6km	N/A	Number	5km	5,6km	Achieved	8,5km	8,9 km	Achieved	Project Management Unit	Technical Services	R 25 000 000	N/A	Ward 2, 7, 14, 17 & 18	Practical Completion certificate	N/A	N/A	N/A

Service Delivery	To improve delivery of capital projects through investment in infrastructure development	B (iv)	To extend access to quality facilities to the community	Number of capital projects implemented to improve service delivery within the community by 30 June 2025	No. of community facilities built	N/A	4	N/A	Number	3	4	Achieved	4	1	Not Achieved	Project Management Unit	Technical Services	R 14 472 180	N/A	Ward 8, 25, 31 & 36	Practical Completion certificate	N/A	1. Tatane Sportsfield delayed due to rain. The contractor was further faced with financial challenges which delayed the completion of the project in July 2025. 2. Margate Hall delayed due to foundation design change. There financial challenges caused further delays which led in not finishing the hall in the first quarter. 3.Mhlabunzima Hall Renovations delays experienced in the appointment of the contractor .	1. Tatane Sportsfield, contractor applied for extension of time till end of July 2025, due to financial challenges the project was delayed and the practical completion certificate was only issued on the 24th of November 2025. 2. Margate Hall, the project will be done in Q1 of the next financial year, extension of time lapses on 12th December 2025, the contractor is yet to apply for another extension of time due to cashflow problems they are currently facing. 3. Mhlabunzima Hall, site handover was only done in May 2025,

