

CITY OF CHOICE



**PIETERMARITZBURG
M S U N D U Z I**

**ANNUAL REPORT
2020/2021 FINANCIAL YEAR**

ANNUAL REPORT 2020/2021 FINANCIAL YEAR

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AG	Auditor General
AIDS	Acquired Immune deficiency syndrome
AIPF	Associated Institution Pension Fund
AMP	Ampere
APR	Annual Performance Report
BBBEE	Broad Based Black Economic Empowerment
CBD	Central Business District
CCTV	Closed Circuit Television Camera
CFO	Chief Financial Officer
CLLR	Councillor
CoGTA	Cooperative Governance and Tradition Affairs
CWP	Community Work Programme
DAEARD	Department of Agriculture, Environmental Affairs and Rural Development
DBSA	Development Bank South Africa
DMAPC	Disaster Management Planning Advisory Committee
DMM	Deputy Municipal Manager
DPLG	Department of Provincial and Local Government
DWAF	Department of Water Affairs and Forestry
EAP	Employee Assistance Programme
EPWP	Expanded Public Works Programme
EXCO	Executive Committee
HDI	Historically Disadvantaged Individual
HIV	Human immune Virus
HIV	Human immune Virus
HNR	Housing Needs Register
HRD	Human Resources Development
HRM	Human Resource Management
IA	Implementing Agent
ICT	Information Communication Technology
IDP	Integrated Development Plan
IDT	Independent Development Trust
IMATU	Independent Municipal Allied Trade Union
IPMS	Individual Performance Management System
KPI	Key Performance Indicators
KWANALOGA	KwaZulu-Natal Local Governance Association
MCB	Miniature Circuit Breaker
MCPF	Municipal Councillors Pension Fund
MEC	Member of Executive Committee
MEC	Member of Executive Council
MFMA	Municipal Finance Management Act
MIG	Municipal Infrastructure Grant
MM	Municipal Manager
MOA	Memorandum of Agreement
MOU	Memorandum of Understanding

MPAC	Municipal Public Accounts Committee
MPRA	Municipal Rates Act
MUNIMEC	Municipalities and Member of Executive Council Meetings
NDPG	Neighbourhood Development Partnership Grant
NERSA	National Electricity Regulator of South Africa
NPA	National Prosecuting Authority
NQF	National Qualification Framework
NRW	Non-revenue Water
OP	Operational Plan
OPMS	Organizational Performance Management System
PDOHS	Provincial Department of Housing
PHC	Primary Health Care
PMB	Pietermaritzburg
PMS	Performance Management
SALAPF	South African Local Authorities Pension Fund
SALGA	South African Local Government Association
SAMWU	South African Municipal Workers Union
SAPS	South African Police Services
SBU	Strategic Business Unit
SCM	Supply Chain Management
SDBIP	Service Delivery and Budget Implementation Plan
SITA	South African State Information Technology Agency
SMMES	Small Medium and Micro Enterprises
SOP	Standard Operating Procedure
STATSSA	Statistics South Africa
UNISA	University of South Africa
VIP	Ventilated Improved Pit Latrine
WSDP	Water Services Development Plan
WSP	Workplace Skills Plan
WSP	Workplace Skill Plan
WWTP	Waste Water Treatment Plan

CHAPTER 1 – MAYORS FOREWORD AND EXECUTIVE SUMMARY

COMPONENT A: MAYORS FOREWORD

**COUNCILLOR M THEBOLLA
CITY MAYOR**

FOREWORD BY THE CITY MAYOR, 2020/2021

The 29th of August 2019 marked my maiden initiation as Mayor of Msunduzi Municipality.

When the Council took office in August 2019, our aim was to respond quickly to the challenges our city was facing at the time. Such challenges included but were not limited to waste management; ageing infrastructure; vacant positions in critical service delivery units as well as lack of financial prudence.

We then had to devise a plan to address the urgent tasks. Critical vacant posts of the City Manager, General Managers for Community Services, Infrastructure Services and Sustainable Development and City Enterprises were filled. All critical Senior Manager vacancies were attended to as well.

We instructed the City Manager to fast-track consequence management which resulted in the appointment of presiding officers and initiators for all outstanding disciplinary matters. This was done successfully, and matters are in progress.

We as a matter of urgency directed the MM to tackle the abuse of overtime and the reduction of the use of consultants. This has yielded positive results thus far. We engaged on several partnerships to turn the city's affairs around. These include enlisting the services of ESKOM to tackle challenges of major electricity faults and outages. DBSA and CoGTA have come on board to assist with meter audits and other significant credit control matters.

COMMUNITY SERVICES

The City has been dubbed in some circles as the city of filth. This has concerned us and called for a mind shift in how we do things. Waste was not collected on time due to lack of management as well as tools of trade. During the financial year we have seen significant improvement in waste collection. Our weekly collection plan has seen waste being collected as per schedule. We have experienced the degradation of the landfill site. Notwithstanding the baptismal of fire we encountered pursuant to taking office, we took cogent steps to turn the situation around.

We have not had a major fire at the landfill site in more than a year. The weighbridge at the landfill site was repaired and we are now generating income again.

In our efforts to deal with energy shortages we envisage investing in the conversion of waste to energy.

The addition of fleet dedicated to the Traffic Department will significantly improve their visibility and improve law enforcement in the City. In keeping with the 4th Industrial Revolution, we obtained 200 extra computers which were deployed in our libraries across the City for our citizens to utilize.

INFRASTRUCTURE SERVICES

It is no longer a secret that there are households and businesses that are blatantly stealing both water and electricity. These are done through either bypassed meters; direct connections and in some instances the municipality disconnects them only for them to illegally reconnect themselves. The default of customers leads to ever-increasing non-revenue water and electricity. The scary part is that there seems to be no end in sight to this behavior. However, the Municipality has taken steps to curb this behavior through initiatives alluded to earlier.

Another challenge is that of saturated and aged infrastructure. There is a genuine outcry from communities that are without water and electricity for days due to the poor state of the infrastructure. Water pipes are fixed only for a burst to occur, sometimes a few meters down the line. Electricity outages are overwhelming communities whereby they are without power almost every day. Vandalism of critical infrastructure such as the one succumbed by the Eastwood Substation - which was on its way to be commissioned - tend to water down our developmental efforts.

The Municipality has shown no signs of despair but has stormed ahead with efforts to change the lives of our people. We have recently completed the construction of a 5 Mega Litres Reservoir in the Vulindlela area. Coupled with that we have secured funding for a 25-kilometer pipeline that will help distribute water in a number of wards in that area including Incwadi.

In many localities there are visible water leaks. This will soon be a thing of the past as we have initiated the process of Leak Detection and Repairs. In Wards 10, 13, 16 and 18 we are completing the much-needed water bourn, toilet system to eradicate the current septic tanks.

We are also busy in Ward 15 with Mid-Block Pipes upgrade. We alluded earlier to aging infrastructure including pipes. The replacement of old pipes in Wards 30, portion of 31 and 29 are meant to assist in addressing this challenge. As we speak the contractor is on site.

We are at an advanced stage of concluding phase 1 of the Manaye Hall upgrade. We also launched the Market Stalls near Mbalenhle Clinic in Imbali and tenants were allocated to avoid the structure being vandalized. As part of the Informal Economy Infrastructure we have also constructed Market Stalls for Street Traders in the City.

In keeping with this historic directive from our forbearer, we also constructed and concluded the Imbali Youth Enterprise park. A precinct that will accommodate a range of various uses for youth owned enterprises and they include: -

- Training rooms
- Retail space
- Internet Café
- Offices
- Ablution blocks

ECONOMIC RECOVERY

The COVID-19 pandemic has created profound disruptions to our economy and society. Many industries in the City are experiencing an adverse impact from the pandemic that is consistent with that of other Cities in the country and the world over.

The measures put in place to contain the Corona Virus; and the recent unrest has had a disastrous impact on Msunduzi Municipality's economy. As a result, multitudes of our people have been added to the ranks of the unemployed.

We have developed an economic recovery plan. I am confident that it will go a long way towards facilitating the restoration of our ailing economy.

ROADS

At some point the state of the City's roads leaved a lot to be desired with potholes being a serious eyesore and a danger to road users. Significant improvements have been made to address the situation.

We have done some significant road rehabilitations including the most recent one being the stretch between South Gate Spar and the Gladys Manzi intersection near Aloe Ridge.

Roy Campbell Road (Napier Ville) Rehabilitation is but one of those that had become a nuisance to society. We have and are continuing with rehabilitation of that road.

Orthman Road and Chase Valley roads were also rehabilitated.

When we took office, the funding for the IRPTN project had already been withdrawn. Numerous engagements with National Treasury, the National Department of Transport, Office of the Premier and Presidency translated to the reinstatement of the funds to enable the conclusion of work packages that had already commenced.

What is left for us is to now source funds to secure and operate a fleet on the network.

HUMAN SETTLEMENTS

Security of tenure was attained by multitudes of our people across the City, through the handing over of title deeds. It was fulfilling to see the joy in the eyes of the recipients, especially the elderly. We are equally at an advanced stage of concluding the Jika Joe Community Residential Units. These will see low-income earners being able to live in dignified dwellings.

FINANCES

The last Audit opinion received by the City was a Qualified Opinion. This was initially due to 6 findings, five of which were cleared. We are proud to announce that in the current year of audit we have developed an audit tracker to monitor the matters of emphasis. Furthermore, my commitment to clean audit as presented at every Council meeting seeks to inculcate a culture of accountability. We are hopeful that when the AG gives a report this time around we stand a very good chance of improving our audit opinion.

We have significantly reduced Irregular Expenditure but improved our expenditure of some government grants to 100%.

Our revenue collection has significantly improved as more and more citizens see value in paying for the services received. We thank our people for partnering with the municipality as we can only spend from what we collect.

Our Billing brought about a lot of complaints from customers, which may be attributed to various factors, including faulty meters. 4000 defective domestic water meters have since been fixed to ensure the accuracy of bills and readings. We intend to fix an additional 5000 meters in this financial year.

VULNERABLE GROUPS

The Mayor's Office is dedicated to bettering the lives of our vulnerable groups which include Children; People with Disabilities; Elderly; Youth and Military Veterans. Serious strides have been made in each of the sectors. Of significant is our partnership with Kukhula in which people with are being trained in venture creation where they are taught business skills. We are currently recruiting 200 people from the sector to embark on a further training.

We have also adopted certain schools within the City and have been visible in assisting them to provide quality education.

As we conclude our term of office we believe we have made significant improvements. However, we could do better and we will do better. While we may have started on a back foot, we have tried to show the high-level account of the work done in turning the City around.

Steadily, the dark clouds of despair are lifting, giving way to our season of hope. We may be hurting, but the state of our city is resilient. The state of our city is united. The state of our city is hopeful and the state of our city -- deep-down – is strong.

**THE HONOURABLE MAYOR
COUNCILLOR M THEBOLLA**

COMPONENT B: EXECUTIVE SUMMARY

1. OVERVIEW BY THE CITY MANAGER – ANNUAL REPORT 2020/2021 FY

The Msunduzi Municipality is one of the smallest local municipalities in the uMgungundlovu District. It houses 39 wards and spans over more than 750km². It is home to the city of Pietermaritzburg, the capital of KwaZulu-Natal.

The city is strategically situated along the N3 highway joining the industrial corridor from Durban and the agro-business corridor stretching from the City to Escourt.

Pietermaritzburg is the economic hub of the district and is known for having considerable influence on regional channels of investment and restructuring of the Provincial Spatial Framework for Growth and Development. Pietermaritzburg has played a major role in shaping the economic course of the Province of KwaZulu-Natal and driving change.

In the 2020/2021 financial year the Municipality has intensified its focus on restoring its position by filling most critical posts; developing, implementing and monitoring the audit action plan to address findings by the Auditor-General which arose in the previous financial years (2017/2018, 2018/2019) and ensuring the correct application of consequence management.

With assistance from the Department of Co-operative Governance and Traditional Affairs, the Municipality has been able to monitor and expedite grant spending and also ensure adequate reporting on such. The Municipality has been able to identify and correctly place employees within the organization, based on their qualifications, as a result of the skills audit and employee verification process it underwent. The Municipality has also collaborated with Eskom to ensure the steady supply of electricity despite budgetary challenges and ageing infrastructure constraints. Partnerships have also been forged between the Municipality and local businesses within the vicinity to restore the economy of the Municipality and also attract more investments.

In the recent past the City had been adversely affected by the looting sprees and destruction of infrastructure including buildings, roads, robots and substations. This has set back the City's economy immensely. Recovery plans have since been devised and implementation has commenced. The support received from ordinary citizens during this time was much appreciated and displayed their commitment to the restoration of the City and its economy.

The Municipality continues to improve in the provision of basic services and has made great strides in the rehabilitation of roads, traffic and street lights, grass cutting and tree felling, refuse removal and street sweeping, landfill site maintenance, electricity disconnections, water restrictions, revenue collection and the filling of vacancies.

It is the intention of the Msunduzi Municipality to create a system of governance which is capable, responsive, inclusive and transparent. To create collaborative governance where responsibility and accountability is shared between municipal officials, citizens and business. A system of governance which will ensure the effective implementation of Municipal by-laws to restore order and maintain the desired municipal standards. Municipalities that adopt a collaborative approach to governance and development will have more sustainable outcomes. Proper strategic planning and integrated environmental thinking are also imperative to enable and empower Msunduzi and its surrounds to cope with the demands of future growth and to ensure that all citizens share in the city's prosperity.

The Municipality is currently under administration and has been faced with financial instability, a decline in revenue collection, numerous service delivery protests, environmental hazards, ageing infrastructure, decline in staff morale and decline in cleanliness and general aesthetics of the Municipality as a whole and the central business district (CBD) in particular. These ailments have been further exacerbated by the COVID-19 pandemic which has resulted in the halting of some key projects thus negatively affecting the Municipality's ability to spend some allocations including grant funding. As a result many projects had to be carried over into the next financial

year. The pandemic has also affected the Municipality's ability to function at its optimum as it continues to lose valuable human capital due to COVID-19 related deaths.

The Municipality continues to face challenges in terms of finances mainly due to its inability to collect revenue adequately, illegal electricity connections, vandalism and water leaks due to the aging infrastructure. In the effort to curb further losses and effectively deal with such challenges the Municipality established strategic committees which meet regularly to monitor the implementation of contingency and/or recovery plans, brainstorm ideas and establish collaborations to restore the Municipality to its former glory. These committees include the Revenue Enhancement Committee, Capital Expenditure Committee, CBD Regeneration Committee and the Waste Management Committee.

Plans and strategies are being put in place in the 2021/2022 Financial Year to deal with all the challenges the Municipality is facing. The Municipality also reserves the commitment towards achieving an unqualified audit opinion so it can move away Section 139 status.

CITY MANAGER
M P KHATHIDE

2. MUNICIPAL FUNCTIONS, POPULATION & ENVIRONMENTAL OVERVIEW

INTRODUCTION TO BACKGROUND DATA

Msunduzi Municipality provides Water, Sanitation, Electricity, Refuse Removal and Housing as part of the Basic Services and it also provides Roads, Storm water & Drainage together with Local Economic Development and the approval of local building plans to local communities.

2.1. VISION STATEMENT

A safe, vibrant city in which to live, learn, raise a family, work, play and do business.

2.2. MISSION STATEMENT

To ensure that the Municipality functions effectively and in a sustainable manner in order to deliver services of excellence to the community.

2.3. LOCALITY

The Municipality affectionately known as Pietermaritzburg or the City of Choice is located along the N3 at a junction of an industrial corridor from Durban and Pietermaritzburg and an agro-industrial corridor stretching from Pietermaritzburg to Escourt. Regionally it is identified at the cross section of the N3 corridor and Greytown Road corridor to the north, a tourist route to the Drakensberg and Kokstad Road to the South.

2.4. THE POPULATION OF MSUNDUZI

The Population of Msunduzi is largely based on the Global Insight, 2015 report, A new Census has not been done as yet by stats SA. Taking into consideration the Covid -19 Pandemic that has engulfed the World the death toll has been rising more especially in the 2020/2021 FY.

POPULATION BY GENDER

DESCRIPTION	MALE	FEMALE	TOTAL
Pietermaritzburg	107212	116257	223469
Copesville	8505	8693	17198
Whispers	2948	3290	6238
Natal Crushers	369	347	715
Panorama Gardens	1664	1939	3603
Eastwood	7678	8192	15870
Willowton	2483	2659	5142
Woodlands	3288	3565	6853
Mountain Rise	1511	1681	3192
Queen Elizabeth	19	20	39
Town Bush Valley	520	593	1112
Worlds View	66	70	136
Montrose	1055	1180	2235

DESCRIPTION	MALE	FEMALE	TOTAL
Northern Park	604	699	1303
Athlone	557	607	1164
Town Hill	1621	1982	3602
Wembley	806	952	1758
Boughton	688	670	1358
Clarendon	832	1228	2060
Pietermaritzburg SP	9291	10602	19893
Manor	220	278	498
Wensleydale	520	552	1071
Scottsville	4749	5319	10068
Hayfields	2880	3334	6215
Glenwood	1393	1668	3061
Sobantu	3584	3864	7448
Lester Park	219	272	491
Blackridge	583	617	1200
Prestbury	2238	2219	4457
Signal Hill	584	816	1399
Lincoln Meade	2245	2462	4707
Napierville	3101	1355	4456
Masons Mill	698	769	1467
Camps Drift	17	10	27
Pelham	2789	3097	5885
Fillan Park	737	792	1529
The Grange	1409	1599	3007
Westgate	4731	5627	10359
Oribi Village	1310	1486	2797
Scottsville Ext	649	732	1380
Epworth	394	443	836
The Meadows	260	283	544
Cleland SP	613	621	1234
Ockerts Kraal	525	585	1110
Bellevue	228	239	467
Ashdown	4330	4975	9306
Plessis-Laer	3906	4161	8067
Harewood	1175	1374	2549
Mkondeni	31	4	35
Shortts Retreat	1334	977	2311

DESCRIPTION	MALE	FEMALE	TOTAL
Claveshay	382	422	804
Lynroy	299	282	581
Ridgepark	447	571	1019
Richmond Crest	246	307	553
Hazelmere	204	262	465
Oribi Heights	371	388	759
Bisley Heights	93	105	198
Bisley Crest	189	212	401
Slangspruit	8329	9068	17398
Ambleton	4695	5142	9837

COMMENT ON BACKGROUND DATA

The data provided herein is data used from the Census 2011 report conducted by Statistics South Africa and HIS Global Insight, 2015. Msunduzi Municipality strives to ensure the backlogs in the delivery of Basic Services like Water, Electricity and Housing are reduced on an annual basis.

3. AUDITOR GENERAL REPORTS FOR THE 18/19 FY & THE 19/20 FY

AUDITOR GENERAL REPORT FOR THE 18/19 FY

In the 2018/2019 financial year, the Auditor General expressed a Qualified Audit opinion for Msunduzi Municipality.

The basis for the Qualified opinion is as follows:

- Property, plant and equipment
- Consumer debtors
- Revenue from exchange transactions – interest from consumer debtors and receivables
- Revenue from exchange transactions – service charges
- Revenue from non-exchange transactions – property rates

Emphasis of matters raised were as follows:

- Restatement of corresponding figures
- Material losses - Water
- Material losses - Electricity

Other matters raised where as follows:

- Unaudited disclosure note
- Unaudited supplementary schedules

Report on the Audit of the annual performance report:

Various Indicators:

- The systems and process that enable reliable reporting of achievement against the indicator where not adequately designed.

Other matters:

- Achievement of planned targets
- Adjustment of material misstatements

Report on the audit of compliance with Legislation:

- Financial statements, Expenditure Management, Revenue Management, Asset Management, Consequence Management, Strategic and Performance Management and Human Resource Management.

The Municipality has developed an action plan to be monitored on a monthly basis by the structures of Council to deal with matters raised by the AG.

Further strategies on improving the system of internal control are being employed to deal with matters of emphasis as well matters on the management report.

AUDITOR GENERAL REPORT FOR 2019/2020

In the 2019/2020 financial year, the Auditor General expressed a Qualified Audit opinion for Msunduzi Municipality.

The basis for qualified opinion is as follows:

- General expenses - External security services

The emphasis of matters raised were as follows:

- Restatement of corresponding figures
- Material Impairment
- Material losses – Electricity and Water

Other matters raised where as follows:

- Unaudited disclosure note
- Unaudited supplementary schedules

Report on the Audit of the annual performance report:

Auditor General did not identify material findings on the usefulness and reliability of the reported performance information for the basic service delivery development priority.

Other matters:

- Achievement of planned targets
- Adjustment of material misstatements

Report on the audit of compliance with Legislation:

- Financial statements, Expenditure Management, Consequence Management, Material irregularities.

The Municipality has developed an audit action plan to be monitored on a monthly basis by the structures of Council to deal with matters raised by the AG.

Further strategies on improving the system of internal control are being employed to deal with matters of emphasis as well matters on the management report.

AUDITOR GENERAL REPORT FOR 2020/2021

In the 2020/2021 financial year, the Auditor General expressed an Unqualified Audit opinion for Msunduzi Municipality with matters of emphasis.

Emphasis of matters

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

Restatement of corresponding figures

- As disclosed in note 69 to the consolidated and separate financial statements, the corresponding figures for 30 June 2020 were restated as a result of errors in the financial statements of the group at, and for the year ended, 30 June 2021.

Material impairment - statutory receivables and consumer debtors

- As disclosed in note 6 to the consolidated and separate financial statements, the municipality reported a provision for impairment balance of R772,56 million (2019-2020: R609,22 million) on statutory receivables as the recoverability of these amounts was doubtful.
- As disclosed in note 7 to the consolidated and separate financial statements, the municipality reported a provision for impairment balance of R2,52 billion (2019-2020: R2,03 billion) on consumer debtors as the recoverability of these amounts was doubtful.

Material losses – electricity

- As disclosed in note 77 to the consolidated and separate financial statements the municipality incurred material electricity losses of R321 million (2019-2020: R1 78,49 million) which represents 22% (2019-2020: 18%) of total electricity purchased. This was mainly due to illegal connections, infrastructure vandalism, ageing infrastructure and overloading.

Material losses – water

- As disclosed in note 77 to consolidated and separate the financial statements the municipality incurred material water losses of R223,37 million (20219-2020: R209,11 million), which represents 30% (2019-2020: 30%) of total water purchased. This was mainly due to illegal connections, progressive deterioration, as well as ageing and increasing levels of fragility in the bulk water infrastructure.

Other matters

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

Unaudited disclosure notes

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

CHAPTER 2 – GOVERNANCE

INTRODUCTION TO GOVERNANCE

Governance at Msunduzi Municipality is made up of political and administrative governance, inter-governmental relations, public participation and corporate governance. Political governance comprises of elected ward Councillors and proportional representation Councillors which make up the Council. Council plays oversight over the administration of the municipality to ensure effective and efficient service delivery.

COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE

INTRODUCTION TO POLITICAL AND ADMINISTRATIVE GOVERNANCE

Political & administrative governance at Msunduzi Municipality comprises of the Councillors and Senior Managers, respectively; they work together on a day-to-day basis in order to achieve identified service delivery goals and targets.

2.1. POLITICAL GOVERNANCE

INTRODUCTION TO POLITICAL GOVERNANCE

Msunduzi municipality has several political structures which include Full Council, Executive Committee, other Council committees and Committees established to support the Executive Committee. The Speaker is the head of Council, whilst the Executive Committee is chaired by the Mayor. The Msunduzi Municipality also has the office of the Chief Whip.

The following Portfolio Committees have been established and are aligned to the Municipality's organizational structure:

- Corporate Services Portfolio Committee;
- Infrastructure Services Portfolio Committee;
- Sustainable Development and City Enterprises Portfolio Committee;
- Community Services Portfolio Committee; and
- Finance Portfolio Committee.

The Municipal Public Accounts Committee (MPAC) is a committee of Council that oversees the expenditure of public funds on behalf of Council and thereby ensures accountability of both the Executive Committee and administration.

MSUNDUZI MUNICIPALITY COUNCILLORS

CURRENT MSUNDUZI PROPORTIONAL REPRESENTATION COUNCILLORS & WARD COUNCILLORS LIST

COUNCILLORS

Councillors are elected representatives serving a predetermined term of office on the local council on behalf of their respective constituents. The Msunduzi Municipal Council has a total of 78 seats. Thirty-nine (39) of these seats are allocated to ward Councillors who are elected through the ward they represent. The other 39 seats are allocated to political parties in proportion to the number of votes cast for the respective parties.

COUNCILLORS COMMITTEE ALLOCATIONS: 1 JULY 2020– 30 JUNE 2021		
PORTFOLIO COMMITTEE	CHAIRPERSON	MEMBERS
Executive	His Worship The Mayor, Councillor M Thebolla	Councillors M Inderjit (the Deputy Mayor), GM Dladla, LL Madlala, JS Majola, GR McArthur, SD Mkhize, Z Ngcobo, TD Ntombela, NP Ntshangase
Sustainable Development & City Enterprises	Councillor DS Mkhize	Councillors R Ahmed, AS Dlamini, WF Lambert JP, NM Mbanjwa, SR Mhlongo, MB Mkhize, NZ Ndlovu, SD Nene, KM Ngcobo, GM Ngube N Ntshangase, NJ Zungu
Corporate Services	Councillor Z Ngcobo	Councillors S Adkins, NJ Gwala, TS Majola, TP Molefe, SD Ngubane, GM Dladla, TD Ntombela, DB Phungula, R Soobiah, M Singh, R Sivnath, BM Zuma
Infrastructure Services	The Deputy Mayor, Councillor M Inderjit	Councillor GN Dlamini, IT Madonda, G McArthur, MS Sokhela, DP Zondi, MP Zondo, GM Dladla, NB Ahmed, PN Msimang, J Nene, M Naicker
Community Services	Councillor LL Madlala	Councillors MI Ahmod, NE Dlela, NY Khumalo, SD Khumalo, SP Lyne, SS Madlala, GS Mncwango, BS Mthshali, RZ Ngubo, MH Oumar, S Reddy, BC Sokhela.
Financial Services	His Worship The Mayor, Councillor M Thebolla	Councillors SW Dlamini, MS Goga, SD Chonco, JS Majola, M Mkhize, N Ntshangase, SC Ndawonde, S Naidoo, TD Ntombela, MH Oumar, TW Sithole, RB Strachan, HM Zondi, TR Zuma
Municipal Public Accounts	Councillor M Schalkwyk	Councillors TI Dlamini, P Duma, NCN Gambu, IS Madonda, XE Ngongoma M Ngubo, JJabu Ngubo, BC Nhlathathi, R Niemand, T Njilo, P Sithole, LJ Winterbach, BE Zuma

WARD COUNCILLORS BY POLITICAL PARTY 20/21FY

WARD	NAME	POLITICAL PARTY
1	Ngubo Jabu	ANC
2	Mtshali Blessing Sbusiso	ANC
3	Madlala Linda Linford	ANC
4	Zondi Hamilton Mlungisi	ANC
5	Mbanjwa Nkosinathi Maxwell	ANC
6	Mhlongo Snothi Raphael	ANC
7	Ngubane Sandile Duncan	ANC
8	Zondo Makhosazane Precious	ANC
9	Nontobeko Khumalo	ANC
10	Gambu Nkosinathi Chasewell Nhlakanipho	ANC
11	Madonda Innocent Siphon	ANC
12	Majola Terence Sboniso	ANC
13	Mncwango Gladness Sibongile	ANC
14	Molefe Thabiso Patrick	ANC

WARD	NAME	POLITICAL PARTY
15	Nene Jabulani	ANC
16	Zuma Bhekabantu Michael	ANC
17	Sithole Thamsanqa Wonderboy	ANC
18	Mkhize Mabhungu	ANC
19	Ndawonde Caiphas	ANC
20	Ndlovu Nelisiwe Zanele (TU)	ANC
21	Mkhize Bhekithemba Mtuza	ANC
22	Ngongoma Xolani Ellington	ANC
23	Phungula Bernard Dumisani	ANC
24	Msimang Prudence Nokuthula	ANC
25	VACANT	VACANT
26	Strachan Ross Bryn	DA
27	Ngubo Manqoba	ANC
28	Naicker Lucky	DA
29	Madlala Spha Sydney	ANC
30	Naidoo Sunny	ANC
31	Ahmed Rooksana	DA
32	Adkins Shawn	DA
33	Reddy Suraya	DA
34	Amod Mike Ismail	ANC
35	Dlamini Sandile Wellington	ANC
36	Winterbach Ludwig Johann	DA
37	Lyne Sandra Patricia	DA
38	Dlamini Godman (SOX) Nkosivelile	ANC
39	Madondo Ignatia Thandiwe	ANC

PROPORTIONAL REPRESENTATION COUNCILLORS BY POLITICAL PARTY 20/21 FY

NO	NAME	POLITICAL PARTY
1	The Mayor: Mzi M Thebolla	ANC
2	The Deputy Mayor Manilal Inderjit	ANC
3	Madlala Linda Linford - EXCO	ANC
4	Dorcas Sibongile Mkhize - EXCO	ANC
5	Zanele P Ngcobo - EXCO	ANC
6	Gugu Mary-Jane Dladla/Ngubo - EXCO	ANC
7	Ntuthuko Ntshangase - EXCO	ANC
8	Glenn Robert McArthur - EXCO	DA
9	Jerome Sibongiseni Majola - EXCO	DA
10	Dennis T Ntombela - EXCO	IFP
11	Eunice Nomagugu Majola - The Speaker	ANC

NO	NAME	POLITICAL PARTY
12	Vusumuzi Ntshangase - The Chief Whip	ANC
13	Mduduzi J "Themba" Njilo	ANC
14	Thobani Zuma	ANC
15	Tholakele Ignatia Dlamini	ANC
16	Philisiwe Sithole	ANC
17	Sphamandla Dennis Khumalo	ANC
18	Ambrosia Sibongile Dlamini	ANC
19	Mary Schalkwyk	ANC
20	Rachel Soobiah	ANC
21	Mehmood-UL-Hassan Oumar	ANC
22	Mansizwa Simon Sokhela	ANC
23	Nelisiwe Jannet Gwala	ANC
24	Najmah B. Ahmed	ANC
25	Ningi J Zungu	ANC
26	Kathrine Malindi Ngcobo	ANC
27	William Francis Lambert	DA
28	Bongumusa Cyril Nhlabathi	DA
29	Sibusiso Chonco	DA
30	Regina Zinhle Ngubo	DA
31	Bukelani E Zuma	IFP
32	Dolo Phillip Zondi	IFP
33	S'fiso Derrick Nene	IFP
34	Balozile C Sokhela	IFP
35	Mpulo Mthethwa Ephram	EEF
36	Rajdave Sivnath	EEF
37	Prince Dumisa Duma	EEF
38	Nomalady E. Dielela	AIC
39	Rienus Niemand	ACDP
40	Mohamed Salim Goga	AL JAMA AH

MSUNDUZI MUNICIPALITY PORTFOLIO COMMITTEES BY NAME & PURPOSE

The following reflects the different committees of Council and their respective purposes.

MSUNDUZI MUNICIPALITY COUNCIL COMMITTEES, PORTFOLIO COMMITTEES AND OTHER COMMITTEES BY NAME & PURPOSE

MUNICIPAL PUBLIC ACCOUNTS COMMITTEE (MPAC)

The Municipal Public Accounts Committee (MPAC) is established in terms of section 79 of the Structures Act, 1998 and is made up of ordinary Councillors to oversee the expenditure of public funds in order to ensure the efficient and effective utilization of council resources and to enhance the political accountability of Council.

APPEALS COMMITTEE

The Appeals Committee is constituted in terms of section 62 (4) (c) (ii) of the Local Government: Municipal Systems Act, 2000 to hear appeals against decisions taken by a political structure, political office bearer or a Councillor of the Municipality in terms of a power or duty delegated or sub-delegated to it by a delegating authority.

SECURITY COMMITTEE

The Security Committee is constituted in terms of section 79 of the Structures Act to consider and deal with cases of threats directed to Councillors and senior officials and are associated with or linked to the performance of their duties as municipal Councillors and senior officials.

RECESS COMMITTEE

The Recess Committee is established in terms of section 79 of the Structures Act to deal with any emergency or urgent matters which may emerge and require urgent attention when the Council is in recess.

EXECUTIVE COMMITTEE

The Executive Committee established in terms of section 42 of the Local Government: Municipal Structures Act No. 117 of 1998 (the Structures Act).

POLITICAL DECISION-MAKING

The Rules and Procedures of Council and its Committees provide inter alia for the powers and functions that the Council may delegate and those it may not delegate, as well as the votes that are required when certain matters are decided.

In making decisions on the following matters, a supporting vote of a majority of the number of Councillors is required: -

- (a) The passing of by-laws;
- (b) The approval of budgets;
- (c) The imposition of rates and taxes, levies and duties;
- (d) The raising of loans;
- (e) The rescission of a council resolution; and any other matter prescribed by legislation.

All other questions before the Council are decided by a majority of the votes cast and in the case of an equality of votes, the Councillor presiding (the Speaker) exercises a casting vote in addition to a vote he or she has as a Councillor.

Before the Council takes a decision on any of the following matters it first has to obtain the recommendations of the Executive Committee: -

- (a) The passing of by-laws;
- (b) The approval of budgets;
- (c) The imposition of rates;
- (d) The raising of loans;
- (e) The approval of an integrated development plan for the Municipality and any amendment to that plan;
- (f) The approval of a performance management system
- (g) The appointment and conditions of service of the City Manager and a head of department of the Council.”

NUMBER OF MEETINGS HELD FOR EACH PORTFOLIO COMMITTEE FOR THE 2020/2021 FINANCIAL YEAR

Number of meetings held for Council & its Committees for the 2020/2021 FY is as per below:

MEETINGS HELD FOR EACH PORTFOLIO COMMITTEE FOR THE 2020/2021 FINANCIAL YEAR	
COMMITTEE NAME	NUMBER OF MEETINGS FOR THE 2020 2021 FY
Full Council	19
Executive Committee	23
Corporate Services	4
Financial Services	4
Infrastructure Services	4
Community Services	4
Sustainable Development & City Enterprises	3
Municipal Public Accounts Committee	14

Note: Minutes of all meetings as well as attendance registers can be obtained from the Archives, Records and Information Unit and Speakers office.

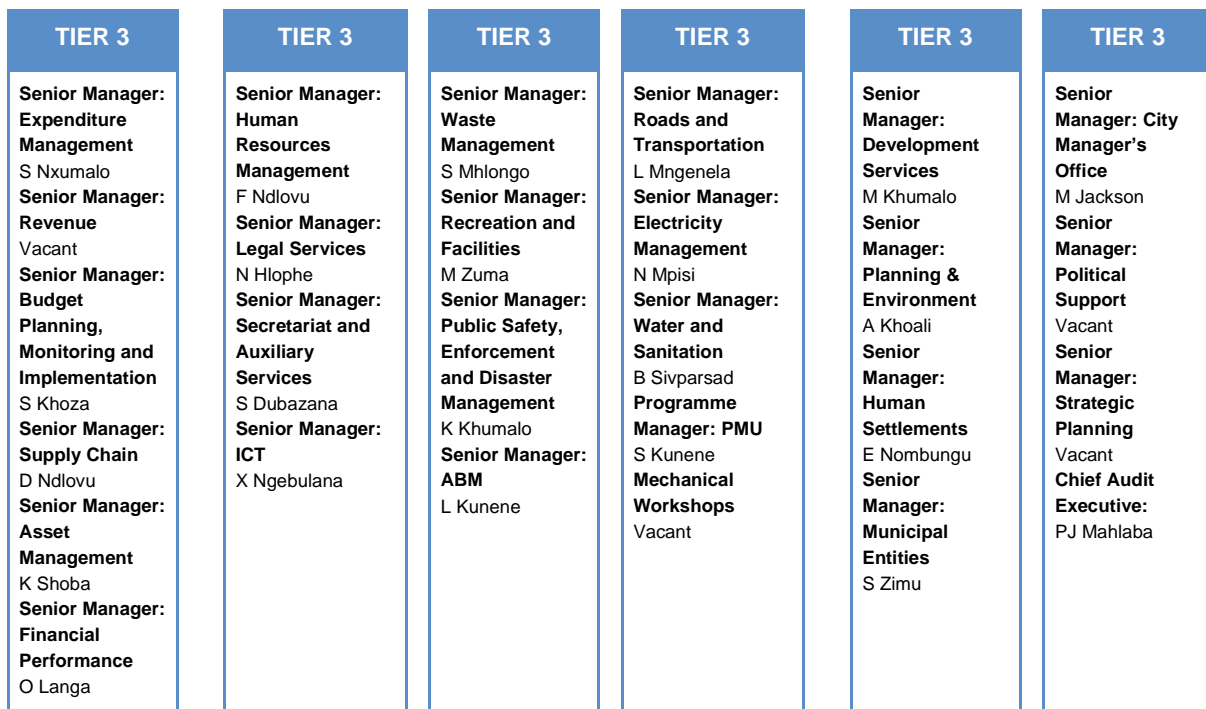
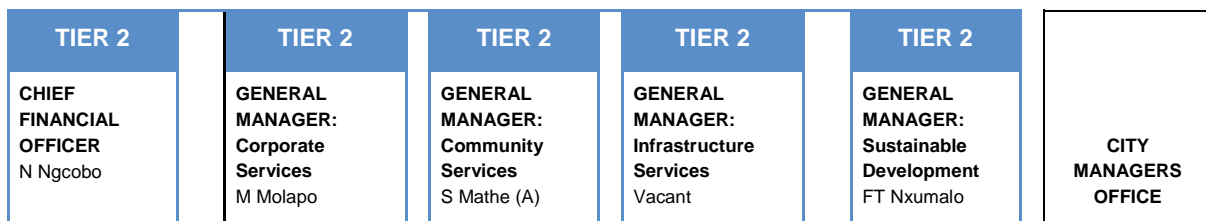
2.2. ADMINISTRATIVE GOVERNANCE

During the 20/21 financial year, The Posts of GM: Infrastructure and GM: Community Services were re-advertised as per the directive of EXCO and subsequently filled in November 2020.

In addition, the five Business Units that mirror the committee portfolios also report to the City Manager. These Business Units, each headed by a General Manager, ensure that services are delivered to the people of the Msunduzi Municipality. They are:

- Infrastructure services;
- Community services;
- Sustainable Development & City Enterprises;
- Budget and Treasury Office; and
- Corporate services.

TOP ADMINISTRATIVE STRUCTURE



COMPONENT B: INTERGOVERNMENTAL RELATIONS

INTRODUCTION TO CO-OPERATIVE GOVERNANCE AND INTERGOVERNMENTAL RELATIONS

The municipality continues to receive full support from the Office of the MEC for Cooperative Governance and Traditional Affairs. Substantial support in the development of a financial recovery plan has also been obtained from National Treasury. The Provincial Treasury has also assisted in terms of developing both the strategic and operational risk registers of the municipality. Whilst the Municipal Infrastructure Grant (MIG) was the primary source of funding for capital projects related to infrastructure development and basic services, the following basic services are delivered to the community using mechanisms of intergovernmental relations with National/ Provincial Departments and/or parastatals:

Water & Sanitation - Department of Water Affairs and Umgeni Water;

Housing - Department of Human Settlements;

Electricity - Department of Minerals & Energy and Eskom

Various other grants, such as the Neighborhood Partnership Development Grant, have been received for the implementation of projects. All information related to grants received is disclosed as required in the Annual Financial Statements.

INTERGOVERNMENTAL RELATIONS

NATIONAL INTERGOVERNMENTAL STRUCTURE

The Municipality is a participant in a number of national forums. On an administrative level, the Chief Financial Officer (CFO) participates in the CFO's Forum which is convened by the National Treasury and the office of the Auditor General. The City Manager participates in the National Municipal Managers Forum convened by the South African Local Government Association (SALGA). Both Councillors and management also participate in the SALGA National Members Assembly. The Corporates Services Unit is a member of the National Municipal Capacity Coordinating and Monitoring Committee. In light of the grant funding assistance received, the municipality participates in the National Treasury Forum of the National Development Partnership Grant (NDPG). Participation in these national forums is key to be able to network, benchmark and expose the municipality to a variety of developmental and funding opportunities.

The Municipality is a member of the South African Cities Network and participates in the following reference groups:

Reference Groups & Forums	Msunduzi Representative
Built Environment Integration task team	Senior Manager: Strategic Planning
Knowledge Management Reference Group	Manager: Organizational Compliance Performance and Knowledge Management
Urban Safety Reference Group	Senior Manager: Public Safety Enforcement and Disaster Management
Expanded Public Works Reference Group	Senior Manager: Recreation and Facilities
International Forum	Senior Manager: Office of the City Manager
Urban indicators Reference Group	Senior Manager: Strategic Planning and Manager: Integrated

Reference Groups & Forums	Msunduzi Representative
	Development Plan
Energy Reference Group	Senior Manager: Electricity
Waste Reference Group	Senior Manager: Waste Management
Water Reference Group	Senior Manager: Water and Sanitation
Communication	Senior Manager: Communications & IGR

The municipality continues to enjoy favorable relations with the following National Departments who have provided conditional grants to the municipality:

NATIONAL DEPARTMENTS WHO HAVE PROVIDED CONDITIONAL GRANTS TO THE MUNICIPALITY

PROJECT DESCRIPTION	FUNDER	RECEIVED
Library	ARTS & CULTURE	20 052 000
Tatham Art Gallery	ARTS & CULTURE	463 000
Housing Accreditation	HUMAN SETTLEMENTS	-
Equitable Share	NATIONAL TREASURY	546 052 000
Finance Management Grant	NATIONAL TREASURY	1 700 000
Energy Efficiency and Demand Side Management Grant	NATIONAL TREASURY	8 000 000
Expanded Public Works Programme	NATIONAL TREASURY	4 200 000
Municipal Disaster Relief Grant	NATIONAL TREASURY	1 192 000
Municipal Infrastructure Grant	NATIONAL TREASURY	197 516 000
Water Services Infrastructure Grant	NATIONAL TREASURY	53 000 000
Public Transportation Infrastructure Grant	NATIONAL TREASURY	226 665 000
Neighborhood Development Partnership Grant	NATIONAL TREASURY	10 000 000
		1 068 840 000
NOT ON GAZETTE		
Greater Edendale Development Initiative	HUMAN SETTLEMENTS	25 500 000
Jika Joe Community Residential Units	HUMAN SETTLEMENTS	75 168 101
		100 668 101
		1 169 508 101

PROVINCIAL INTERGOVERNMENTAL STRUCTURE

The City Manager and the Mayor participate in the technical and provincial MUNIMEC respectively. They also participate in the Premier's Coordinating Forum. The provincial SALGA convene the provincial MM's Forum of which the City Manager does attend.

RELATIONSHIPS WITH MUNICIPAL ENTITIES

The municipal entity (Safe City) has a legally constituted board. The board approves the business plan and the associated budget for the entity. These documents are submitted to the municipality for approval. The business plan outlines the Key Performance Area and Indicators (KPA and KPI). The (KPA and KPI) are included in the SDBIP of the municipality. The delivery on the milestones is monitored on a monthly basis by the submission of a monthly report and this report is submitted to all relevant municipal committees for review. An annual report together with an audited financial statements of the entity are submitted to the municipality for consideration and approval.

DISTRICT INTERGOVERNMENTAL STRUCTURES

The Municipality participates in the District Municipal Managers and Mayors Forum. The Municipal Manager used to be the Chairperson of the District Infrastructure Forum. Following the establishment of the District Command Council during the COVID-19 Disaster, the Municipality is the co-convenor of the Governance, State Capacity and Institutional Development (GSCID) Cluster.

The Communications Unit participates in the Local Government Forum and District Communicators forum which helps by benchmarking on the best practices from other municipalities.

COMPONENT B: PUBLIC SATISFACTION LEVELS

CUSTOMER SATISFACTION SURVEY 20/21

The aim of the Msunduzi Municipality Customer Satisfaction Survey was to assess the current living conditions of the respondents of Pietermaritzburg and thus to interpret the holistic view of these conditions. Another aim of the survey was to evaluate the service quality of the municipality and gain an understanding of the perceptions of the respondents in light of the municipal services being provided by the municipality. Since the Msunduzi region was grouped naturally by 39 wards, these 39 wards served as strata.

The Area Based Management (ABM) unit was contacted and requested to conduct the surveys in each of the 39 wards. Due to the quick turnaround time a sample of 15 questionnaires from each ward was then agreed on. This in total summed up to 585 surveys in all the ward. The Customer Satisfaction Survey (CSS) was also published on the municipal website and it was agreed the submissions would form part of the analysis. In total 6 questionnaires were received via the website. In total the sample then amounted to 591 as per the responses received. The responses received via the website were then included into their respective wards.

The fieldwork for the project, was conducted by the Area Based Management unit. Each ABM Zonal Manager was responsible for the survey within their respective zones. All surveys conducted were managed by the Zonal Managers each manager was able to submit all their field work surveys for the PMS unit to analyse and produce a report.

The Area Based Management unit submitted the completed survey questionnaires per zone to the Organizational Compliance, Performance & Knowledge Management (OC, P & KM) unit by the close of day the 6th of November 2020. The OC, P & KM unit then commence capturing on the 7th of November 2020 and capturing and consolidation of all 591 surveys was completed on the 16th of November 2020. The Unit then commenced with the analysis and the drawing of the graphical representations between the 17th & 20th of November 2020 and a ward level analysis for each ward.

42.30% of the respondents find the Municipal Service Delivery to be fair over the past year whilst approximately 35% of the respondents found it to be poor and very poor. The reasons for dissatisfaction are not new to the municipality and going forward needs to be built into all plans to ensure the customers are satisfied.

The reasons as to respondents being satisfied have been extracted in verbatim and inserted as per below:

- Service Delivery is efficient
- Because they deliver services to the community
- Access roads are built
- RDP housing projects, some access roads being renovated
- Because so far all services that are rendered by Msunduzi is accessible
- We understand our municipality is still under administration but we have received services like high mast lights, roads upgrades etc.
- Some infrastructure is delivered so we see the difference when comparing with other years
- Municipal water tankers available
- There are visible changes compared to the past years more especially with roads
- They promptly attend to queries (ABM & Speaker) □ Provision of services are rendered properly
- All the complaints and problems I logged with them were all resolved to my favor

The reasons as to respondents being dissatisfied have been extracted in verbatim and inserted as per below:

- No developmental initiative project has been done in the past year
- The roads are full of potholes, electricity keeps tripping, water supply is poor and water tanks arrive once or not at all with rude drivers
- Roads are still gravel roads, the tripping of electricity and load shedding
- Basic services don't reach us as community members when we need them e.g. Water
- Basic services are not provided sufficiently i.e. Water, Roads, Electricity ☐ No proper communication
- Over the last year we do not know what the municipality has done or rendered any service, we lodge complaints but we do not receive feedback
- Msunduzi provides quick fixes for everything, including electricity, potholes, sewage problems. They only temporarily fix everything. Traffic lights at busy intersections stop working for a week every time it rains and there are never traffic officials present to direct the traffic. If Msunduzi fixes a burst pipe, they simply fill the holes with sand as a temporary fix and never get down to repairing the hole it is the same with potholes.
- The city and suburbs are filthy and the air quality is poor. The website is never updated with correct contact numbers. Staff at the call centre and on site are generally apathetic, lazy, rude and uninformed and think they are doing us a favour
- Projects are delayed, Municipality complains about the budget
- Delays for the RDP houses. Prepaid cards electricity is expensive
- Promises are not kept and they are not done by the municipality
- Because all Municipality passive open space are full of rubbish and illegal dumping

CHAPTER 3 – ANNUAL PERFORMANCE REPORT – SERVICE DELIVERY INDICATORS

1. INTRODUCTION:

In terms of section 46(1) and (2) of the Local Government: Municipal Systems Act (MSA), 2000(Act 32 of 2000), municipalities are required to annually prepare a performance report reflecting, the performance of the municipality and of each service provider during the financial year. The annual performance report must also reflect comparison of performance with targets set for the year under review with performance of the previous financial year. Section 121 of the Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003) further states that the annual performance report must form part of the municipality's Annual Report. Msunduzi Municipality's Annual performance report for the 2020/2021 financial year has been prepared in line with the provisions of the MSA read together with the MFMA.

The Annual Performance Report 2020 / 2021 of the Msunduzi Municipality is prepared as per section 46 of the Municipal Systems Act.

- **FUNCTIONAL AREA SERVICE DELIVERY REPORTING PER BUSINESS UNIT.**
- **PERFORMANCE OF EXTERNAL SERVICE PROVIDERS**
- **MEASURES TAKEN TO IMPROVE PERFORMANCE**
- **ANNUAL PERFORMANCE REPORT OF THE SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN 2020/2021 & ANNUAL REPORT OF THE OPERATIONAL PLAN 2020/2021**

HIGH LEVEL SUMMARY OF PERFORMANCE COMPARISON FOR THE 2020/2021 & 2019/2020 FINANCIAL YEARS (SDBIP & OP)

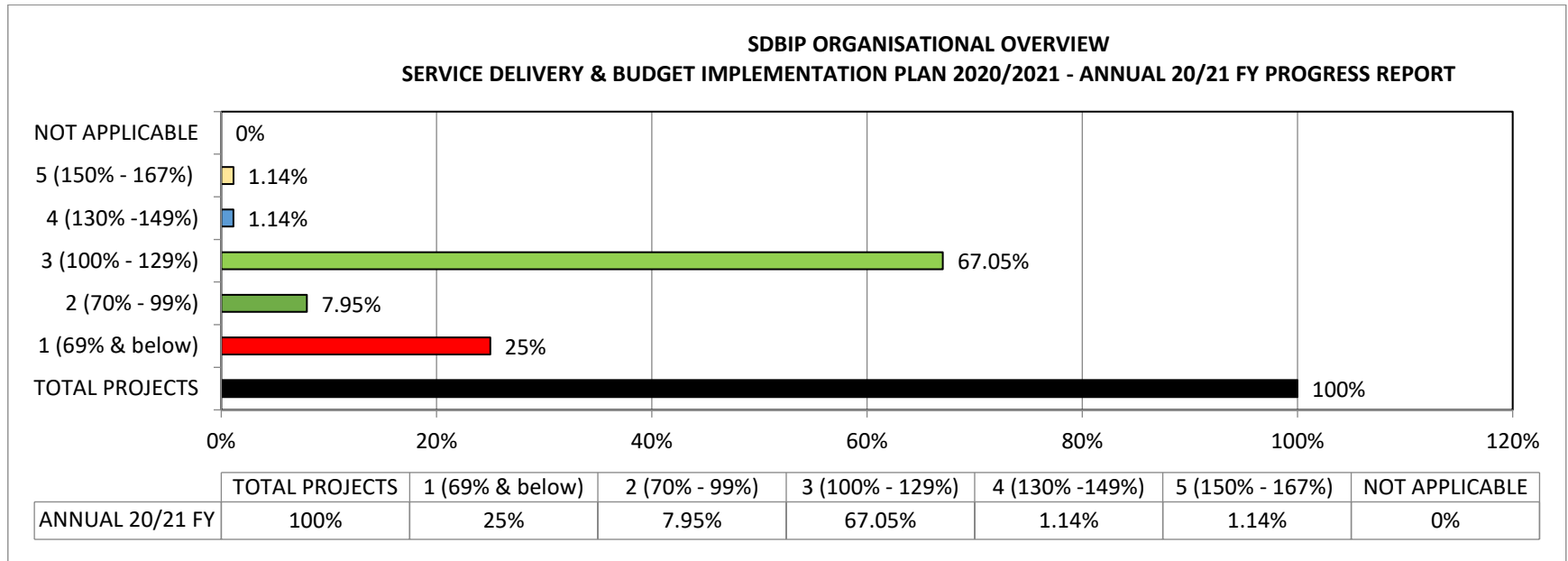
The graphical representations below illustrate the summary of high level performance of the municipality for the 2020/2021 and the 2019/2020 financial years, as per the colour-coded dashboard.

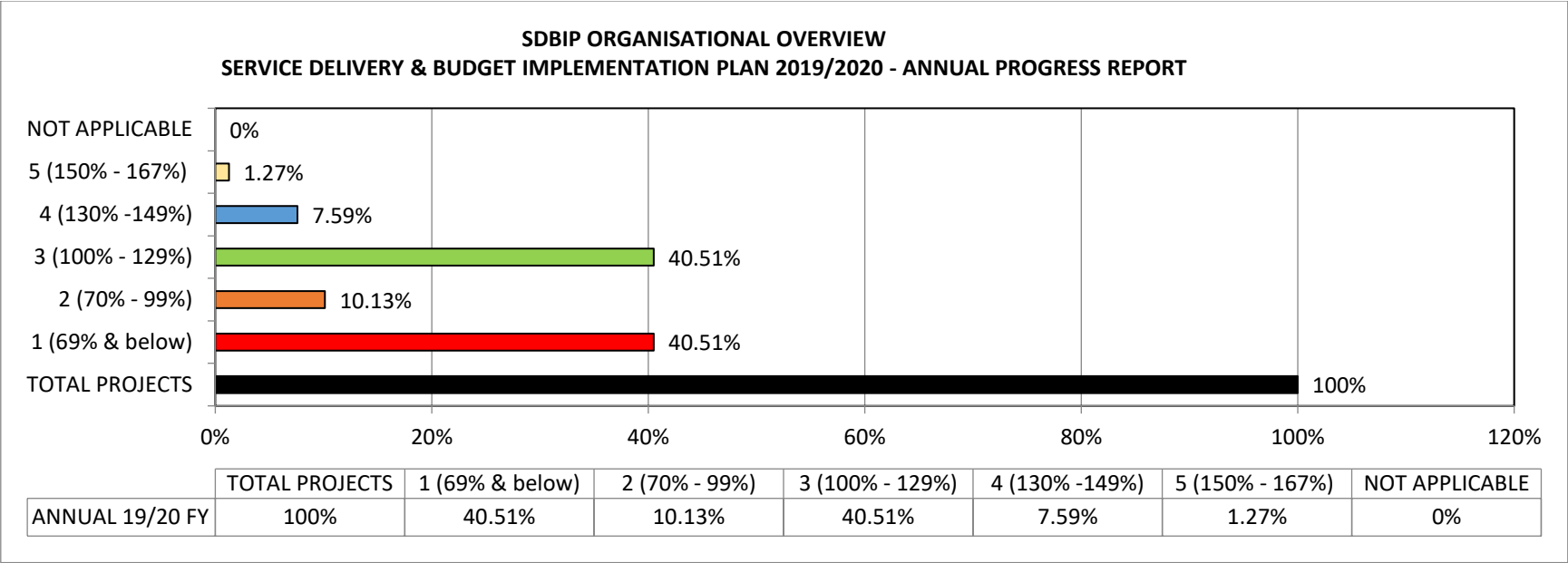
COLOUR	SCORE	DESCRIPTION	PERCENTAGE	KEY
	N/A	TOTAL PROJECTS	N/A	KEY
	1	NIL ACHIEVED	69% and below	
	2	TARGET PARTIALLY MET	70% - 99%	
	3	TARGET MET	100% - 129%	
	4	TARGET EXCEEDED	130% -149%	
	5	TARGET SIGNIFICANTLY EXCEEDED	150% - 167%	
	NOT APPLICABLE	N/A	N/A	

1.2 HIGH LEVEL SUMMARY OF PERFORMANCE COMPARISON FOR THE 2020/2021 & 2019/2020 FINANCIAL YEARS (SDBIP & OP)

SDBIP COMPARISON BETWEEN OPERATING AND CAPITAL PROJECTS FOR THE 2020/2021 & 2019/2020 FINANCIAL YEARS

GRAPHICAL REPRESENTATION OF PERFORMANCE: OPERATING PROJECTS



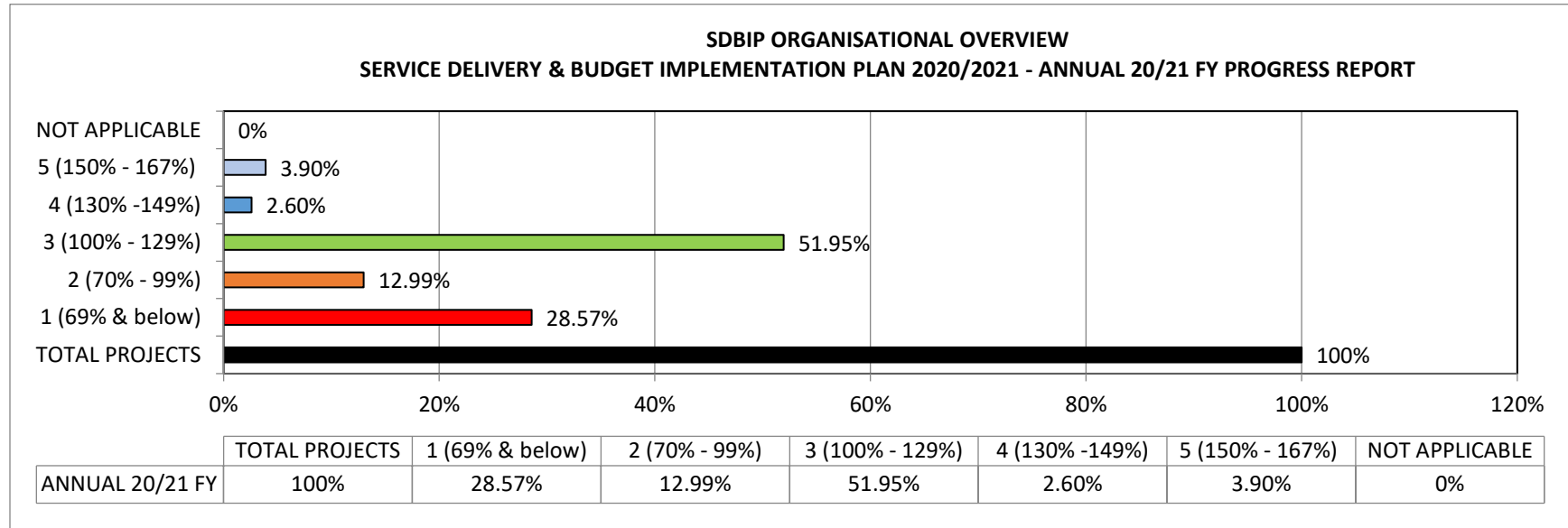


A total of 88 Operating Projects were reported on the SDBIP for the ANNUAL 20/21 FY PROGRESS REPORT

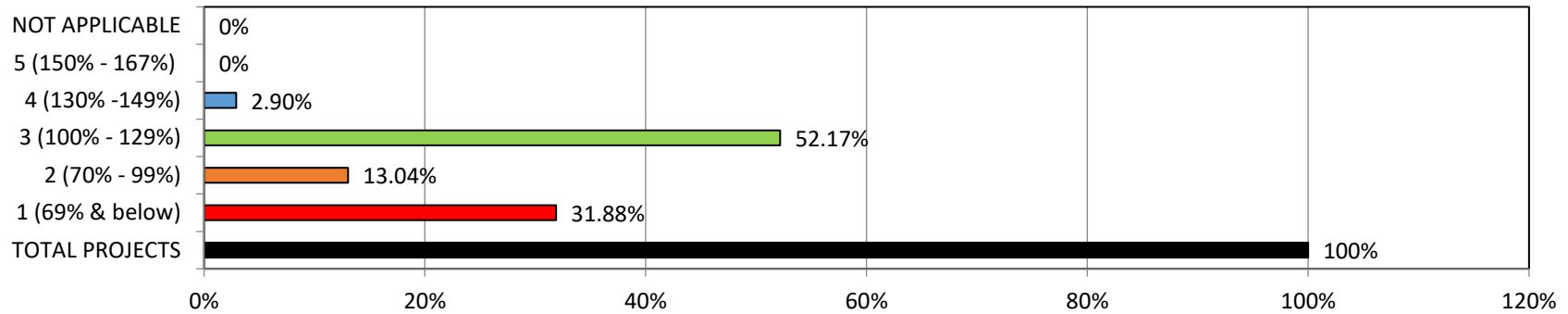
1. **40.51% of the projects were reported as having achieved a 1 on the SDBIP for the ANNUAL 20/21 FY PROGRESS REPORT whereas 40.51% was achieved in the 19/20 FY**
2. **10.13% of the projects were reported as having achieved a 2 on the SDBIP for the ANNUAL 20/21 FY PROGRESS REPORT whereas 10.13% was achieved in the 19/20 FY**
3. **40.51% of the projects were reported as having achieved a 3 on the SDBIP for the ANNUAL 20/21 FY PROGRESS REPORT whereas 40.51% was achieved in the 19/20 FY**
4. **7.59% of the projects were reported as having achieved a 4 on the SDBIP for the ANNUAL 20/21 FY PROGRESS REPORT whereas 7.59% was achieved in the 19/20 FY**
5. **1.27% of the projects were reported as having achieved a 5 on the SDBIP for the ANNUAL 20/21 FY PROGRESS REPORT whereas 1.27% was achieved in the 19/20 FY**
6. **0% of the projects were reported as not applicable on the SDBIP for the ANNUAL 20/21 FY PROGRESS REPORT**

GRAPHICAL REPRESENTATION OF PERFORMANCE: CAPITAL PROJECTS

A total of 72 Capital Projects were reported on the SDBIP for the ANNUAL 20/21 FY PROGRESS REPORT



**SDBIP ORGANISATIONAL OVERVIEW
SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN 2019/2020 - ANNUAL PROGRESS REPORT**

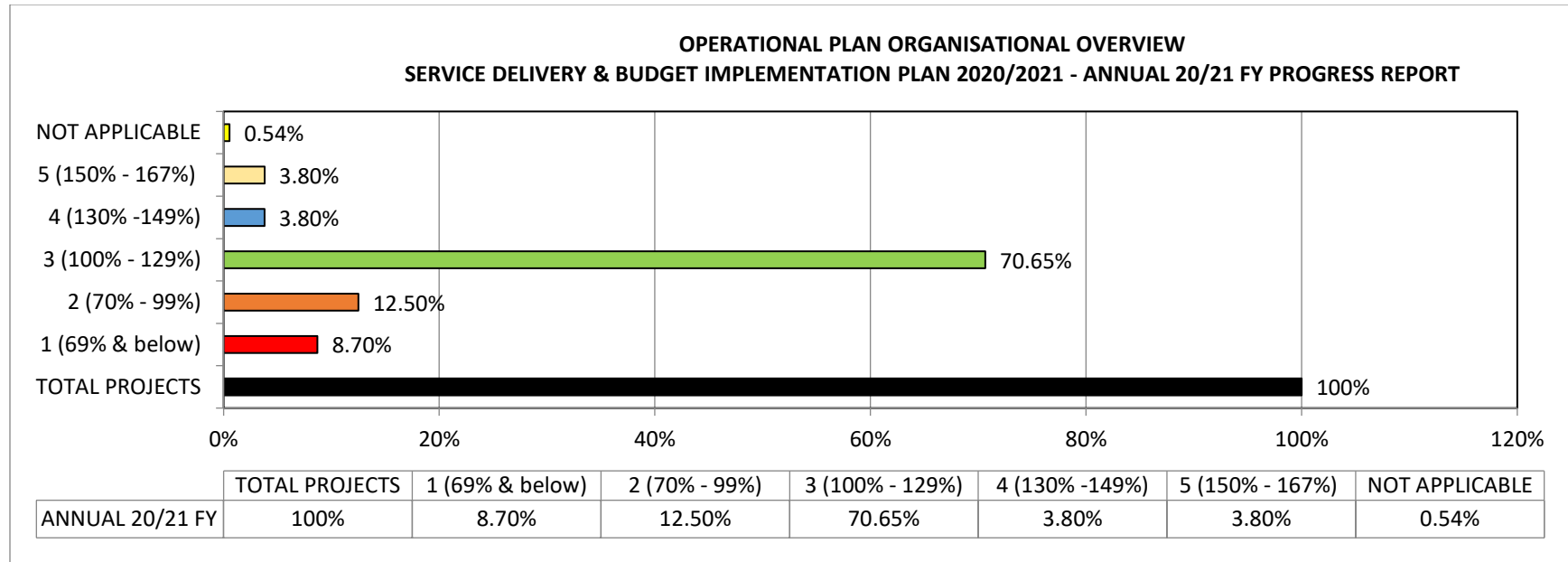


	TOTAL PROJECTS	1 (69% & below)	2 (70% - 99%)	3 (100% - 129%)	4 (130% - 149%)	5 (150% - 167%)	NOT APPLICABLE
ANNUAL 19/20 FY	100%	31.88%	13.04%	52.17%	2.90%	0%	0%

- 31.88% of the projects were reported as having achieved a 1 on the SDBIP for the ANNUAL 20/21 FY PROGRESS REPORT whereas 31.88% was achieved in the 19/20 FY**
- 13.04 % of the projects were reported as having achieved a 2 on the SDBIP for the ANNUAL 20/21 FY PROGRESS REPORT whereas 13.04% was achieved in the 19/20 FY**
- 52.17% of the projects were reported as having achieved a 3 on the SDBIP for the ANNUAL 20/21 FY PROGRESS REPORT whereas 52.17% was achieved in the 19/20 FY**
- 2,90% of the projects were reported as having achieved a 4 on the SDBIP for the ANNUAL 20/21 FY PROGRESS REPORT whereas 2.90% was achieved in the 19/20 FY**
- 0% of the projects were reported as having achieved a 5 on the SDBIP for the ANNUAL 20/21 FY PROGRESS REPORT whereas 0% was achieved in the 19/20 FY**
- 0% of the projects were reported as not applicable due to not having any targets on the SDBIP for the ANNUAL 20/21 FY PROGRESS REPORT**

OPERATIONAL PLAN COMPARISON BETWEEN OPERATING AND CAPITAL PROJECTS FOR THE 2020/2021 AND 2019/2020 FINANCIAL YEARS

GRAPHICAL REPRESENTATION OF PERFORMANCE: OPERATING PROJECTS



COMMENT ON PERFORMANCE – SDBIP (OPERATING & CAPITAL PROJECTS) & OP (OPERATING & CAPITAL PROJECTS)

In terms of the Operating projects on the SDBIP, in the 2020/2021 FY Msunduzi Municipality achieved **70,45% in** terms of the targets that were met, whereas in the 2019/2020 FY 40.51% of the targets were met. This indicates an improvement of 34.94% increase in targets met.

In terms of the Capital projects on the SDBIP, in the 2020/2021 FY Msunduzi Municipality achieved 55.84% in terms of the targets that were met, whereas in the 2019/2020 FY 40.51% of the targets were met. This indicates an improvement of 15.33% increase in targets met.

There is still a challenge in terms of adhering to the Organizational Management Policy. Submissions were not received as per stipulated timeframes set by the Performance Management Section. POE compilations not completed as per the Standard Operating Procedure.

AG identified material misstatements in the annual performance report submitted for auditing. These material misstatements were on the reported performance information for the "basic service delivery" development priority. As management subsequently corrected the misstatements, AG did not raise any material findings on the usefulness and reliability of the reported performance information.

1.4 MEASURES TAKEN TO IMPROVE PERFORMANCE IN THE 2020/2021 FINANCIAL YEAR

MEASURES TAKEN TO IMPROVE PERFORMANCE IN THE 2020/2021 FINANCIAL YEAR						
NUMBER	DEPARTMENT RESPONSIBLE	PERSON RESPONSIBLE	ACTION TAKEN	STATUS	REASON FOR DEVIATION	CORRECTIVE MEASURE
1	Office of the City Manager	Madeleine Jackson - Senior Manager: Office of the City Manager	Review of the Individual Performance Management Policy 20/21 <ul style="list-style-type: none"> IPMS policy now includes - AD-HOC assessments at times where the CM & GMs notice poor / underperformance. 	Approved by Full Council	N/A	N/A
2	Office of the City Manager	Madeleine Jackson - Senior Manager: Office of the City Manager	Review of the Organizational Performance Management Policy 20/21 FY <ul style="list-style-type: none"> Consequence Management & Non-Compliance has now been included. OPMS Standard Operating Procedure has now been included. 	Approved by Full Council	N/A	N/A
3	Office of the City Manager	Madeleine Jackson - Senior Manager: Office of the City Manager	Allocation of a Performance Advisor to each business unit, this to assist with POE verifications and other performance issues that may arise per Business unit	Ongoing	N/A	N/A

MEASURES TAKEN TO IMPROVE PERFORMANCE IN THE 2020/2021 FINANCIAL YEAR						
NUMBER	DEPARTMENT RESPONSIBLE	PERSON RESPONSIBLE	ACTION TAKEN	STATUS	REASON FOR DEVIATION	CORRECTIVE MEASURE
4	Budget & Treasury Business Unit	CFO - Nelisiwe Ngcobo	Upon the Auditor General releasing their report on the Audit Opinion for the Municipality, The AG Action Plan contains queries for both financial and non-financial activities including performance management queries. This meeting happens on a weekly basis from Monday to Thursday and the chairperson of the meeting is the CFO.	Ongoing	N/A	N/A
5	Office of the City Manager	Madeleine Jackson - Senior Manager: Office of the City Manager	Audit Committee Decision tracker, is a template monitored by the PMS unit. This is in order to ensure that respective Business units implement all resolutions taken by the Audit Committee. The report is presented on a quarterly basis to Audit Committee at the scheduled meetings	Ongoing	N/A	N/A
6	Office of the City Manager	Madeleine Jackson - Senior Manager: Office of the City Manager	PMS unit started Monitoring the Internal Audit Tracking tool in order to ensure that all findings from previous Internal Audit reports are resolved	Ongoing	N/A	N/A
7	Office of the City Manager	City Manager	Weekly meetings of the CBD Regeneration and Revenue Enhancement meetings	Ongoing	N/A	N/A
8	Office of the City Manager	City Manager	Weekly meetings of the Capex and MIG to ensure the spending of Capital funding	Ongoing	N/A	N/A

MEASURES TAKEN TO IMPROVE PERFORMANCE IN THE 2020/2021 FINANCIAL YEAR						
NUMBER	DEPARTMENT RESPONSIBLE	PERSON RESPONSIBLE	ACTION TAKEN	STATUS	REASON FOR DEVIATION	CORRECTIVE MEASURE
9	Office of the City Manager	City Manager	Cascading of Individual Performance to Level 4 Managers in order to ensure accountability and adherence to schedule 2 of the Systems Act	Ongoing	N/A	N/A

1. **SDBIP INDICATOR COMPARISON PER FUCNTIONAL AREA**

1.1 **REGULATED KEY PERFORMANCE INDICATORS**

REGULATED PERFORMANCE INDICATORS COMPARISON															
SDBIP REFERENCE	PERFORMANCE REPORTING 2019/2020 FY - ANNUAL PROGRESS REPORT			NATIONAL KEY PERFORMANCE AREA	SDBIP REFERENCE	BASELINE / STATUS QUO	INDICATOR	PROGRAMME	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL 2019/2020 FY PROGRESS REPORT								ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4, 5, Not Applicable)						ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4, 5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
RPI 01	12 x Reports prepared & submitted to OMC on the budget spent on the implementation of the Workplace Skills Plan in the 19/20 FY by the 30th June 2020	9 x Reports prepared & submitted to OMC on the budget spent on the implementation of the Workplace Skills Plan	2 (70% - 99%)	NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT	RPI 01	R 7 942 421.48 was spent during the 2018/2019 Financial year to implement the WSP.	12 x Reports prepared & submitted to SMC on the budget spent on the implementation of the Workplace Skills Plan	Workplace skills development	12 x Reports prepared & submitted to SMC on the budget spent on the implementation of the Workplace Skills Plan in the 20/21 FY by the 30th of June 2021 June 2020, July 2020, August, September, October 2020, November 2020, December 2020, January 2021, February 2021, March 2021, April 2021 & May 2021 reports	11 x Reports prepared & submitted to SMC on the budget spent on the implementation of the Workplace Skills Plan in the 20/21 FY by the 30th of June 2021	2 (70% - 99%)	The report for June 2020 was not submitted to SMC in July 2020 but only on the 04 November 2020 due to the National COVID Lockdown	N/A	N/A	12 SMC Reports

REGULATED PERFORMANCE INDICATORS COMPARISON															
SDBIP REFERENCE	PERFORMANCE REPORTING 2019/2020 FY - ANNUAL PROGRESS REPORT			NATIONAL KEY PERFORMANCE AREA	SDBIP REFERENCE	BASELINE / STATUS QUO	INDICATOR	PROGRAMME	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL 2019/2020 FY PROGRESS REPORT								ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4, 5, Not Applicable)						ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4, 5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
RPI 02	3 x Females Targeted as per the employment Equity plan for Senior Managerial Positions advertised at Msunduzi Municipality in the 19/20 FY by the 31st of December 2019	3 Senior Manager Posts filled 19/20 - 3 x African Males	1 (69% & below)	NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT	RPI 02	NIL	1 x post of Senior Manager: Revenue Management filled as per the employment Equity plan	Employment equity	1 x post of Senior Manager: Revenue Management filled as per the employment Equity plan for Msunduzi Municipality in the 20/21 FY by the 30th of June 2021	0 x post of Senior Manager: Revenue Management filled as per the employment Equity plan for Msunduzi Municipality in the 20/21 FY by the 30th of June 2021	1 (69% & below)	The post SM Revenue was advertised on the 18 sept 2018, Shortlist took place on the 29 Nov 2019 there were no suitable candidate qualified and recommended to headhunt. Interviews were done on the 7 Feb 2020 and panel recommend to headhunt again (all candidates scored below 50%). CV were received during Feb 2020(2nd Headhunting Process) Interviews were done 21 Feb 2020, recommended candidate Declined the	If posts are available then to make provisions as employment equity	N/A	Advert

REGULATED PERFORMANCE INDICATORS COMPARISON														
SDBIP REFERENCE	PERFORMANCE REPORTING 2019/2020 FY - ANNUAL PROGRESS REPORT			NATIONAL KEY PERFORMANCE AREA	SDBIP REFERENCE	BASELINE / STATUS QUO	INDICATOR	PROGRAMME	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT					
	ANNUAL 2019/2020 FY PROGRESS REPORT								ANNUAL 20/21 FY PROGRESS REPORT					
	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4, 5, Not Applicable)						ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4, 5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES
												position. On 26 Nov 2020 Till 8 December 2020 the post SM: Revenue was advertised Externally and went on Shortlisting Process on the 4 May 2020 with the recommendation was to Re-advertise the Post Internally as there is no suitable candidate who qualifies for the post.		

REGULATED PERFORMANCE INDICATORS COMPARISON															
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	ANNUAL 2019/2020 FY PROGRESS REPORT								ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4, 5, Not Applicable)						ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4, 5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
RPI 03	60 x New Water connections completed (Application Driven) by the 30th June 2020 (92,93% of households with access to potable drinking water)	38 x New Water Connections Completed by 30th June 2020	1 (69% & below)	NKPA 2 - BASIC SERVICE DELIVERY	RPI 03	40 x New Water connections completed (Application Driven) by the 30th of June 2020 (92,92% of households with access to potable drinking water)	100 x New Water connections completed (Application Driven)	Improve d access to basic services	100 x New Water connections completed (Application Driven) by the 30th of June 2021 (92.98% of households with access to potable drinking water)	145 x New Water connections completed (Application Driven) by the 30th of June 2021 (93% of households with access to potable drinking water)	5 (150% - 167%)	N/A	N/A	N.A	Water Connection Monitoring Spreadsheet
RPI 04	1530 x New consumers have access to sanitation by the 30th of June 2020 55,02% of households with access to sanitation	1548 x New consumers have access to sanitation by 30th June 2020	3 (100% - 129%)	NKPA 2 - BASIC SERVICE DELIVERY	RPI 04+D9: D10	1547 x New consumers have access to sanitation 55,65% of households with access to sanitation	17 x New consumers have access to sanitation	Improve d access to basic services	17 x New consumers have access to sanitation by the 30th of June 2021 55,66% of households with access to sanitation	13 x New consumers have access to sanitation by the 30th of June 2021 55,66% of households with access to sanitation	2 (70% - 99%)	Application Based	N/A	2 months	Sewer Connection Spreadsheet

REGULATED PERFORMANCE INDICATORS COMPARISON															
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	ANNUAL 2019/2020 FY PROGRESS REPORT								ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4, 5, Not Applicable)						ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4, 5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
RPI 05	100% of new electricity connections completed by the 30th of June 2020 (Application based)	(54/215) 25% of new electricity connections completed by the 30th of June 2020 (Application based)	1 (69% & below)	NKPA 2 - BASIC SERVICE DELIVERY	RPI 05	179 new electricity connections completed in various ward (Application based) by the 30th of June 2019	100% of new electricity connections completed	Improve d access to basic services	100% of new electricity connections completed (Application based) by the 30th of June 2021	93,3% of new electricity connections completed (Application based) by the 30th of June 2021.	2 (70% - 99%)	A total of new 669 household electricity connections were completed against 717 application received completed 265 new applications as at 30 June 2021. The balance could not be completed due to the fact that some require extensions of mains (Planning is dealing with that), some applicants did not answer the calls to arrange for their connections etc.	Since the new connections is a moving target as there are new connections received on daily bases. Fast tracking of filling of posts and tools of trade	Ongoing	memos and monthly stats

REGULATED PERFORMANCE INDICATORS COMPARISON															
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	ANNUAL 2019/2020 FY PROGRESS REPORT								ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4, 5, Not Applicable)						ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4, 5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
RPI 06	19.08km of MIG Projects municipal roads constructed in the 19/20 FY by the 30th of June 2020	6.06km of MIG Projects municipal roads constructed in the 19/20 FY by the 30th of June 2020	1 (69% & below)	NKPA 2 - BASIC SERVICE DELIVERY	RPI 06	2500m2 (Equivalent to 2.5km) of municipal roads not constructed	11 KM of MIG Projects municipal roads constructed	Improve d access to basic services	11 KM of MIG Projects municipal roads constructed in the 20/21 FY by the 30th of June 2021	6.35km of MIG Projects municipal roads constructed in the 20/21 FY by the 30th of June 2021	1 (69% & below)	Delays due to insufficient funding, late payments and other existential factors that caused the projects to be delayed. Various projects will be completed in the new F/Y	Fast track payments to contractors, as well as fast track work on site to ensure that the due dates in the new F/Y are met.	3 months	Monthly reports, Practical completion certificate
RPI 07	Refuse collection completed once a week for all households within Msunduzi Municipality for the 19/20 FY by the 30th of June 2020	Refuse collection completed once a week for all households within Msunduzi Municipality for the 19/20 FY by the 30th of June 2020	3 (100% - 129%)	NKPA 2 - BASIC SERVICE DELIVERY	RPI 07	NIL	Number of Households with access to basic refuse collection	Waste Management	Number of Households with access to free basic refuse collection service (Msunduzi Households vs Households provided with free basic refuse removal) by the 31st of June 2021	6250 Households with access to the free basic domestic waste collection by the 31st of June 2021	3 (100% - 129%)	N/A	N/A	N/A	refuse collection schedule

REGULATED PERFORMANCE INDICATORS COMPARISON															
SDBIP REFERENCE	PERFORMANCE REPORTING 2019/2020 FY - ANNUAL PROGRESS REPORT			NATIONAL KEY PERFORMANCE AREA	SDBIP REFERENCE	BASELINE / STATUS QUO	INDICATOR	PROGRAMME	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL 2019/2020 FY PROGRESS REPORT								ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4, 5, Not Applicable)						ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4, 5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
N/A	N/A	N/A	N/A	NKPA 2 - BASIC SERVICE DELIVERY	RPI 08	NIL	1 x Weekly Refuse Removal provided per month for Msunduzi Households	Waste Management	1 x Weekly Refuse Removal provided per month for Msunduzi Households as per Refuse Collection Schedule by the 30th of June 2021	1 x Weekly Refuse Removal provided per month for Msunduzi Households as per Refuse Collection Schedule by the 30th of June 2021	3 (100% - 129%)	N/A	N/A	N/A	Refuse Collection Schedule
RPI 08	6000 households earning less than R3500 per month (application based) provided with access to free basic services by the 30th of June 2020	5150 households earning less than R3500 per month (application based) provided with access to free basic services by the 30th of June 2020	1 (69% & below)	NKPA 2 - BASIC SERVICE DELIVERY	RPI 09	4210 households earning less than R3500 per month (application based) provided with access to free basic services by the 30th of June 2019	6250 households earning less than R3500 per month	Improved access to Free Basic Services	6250 households earning less than R3500 per month (application based) provided with access to free basic services by the 30th of June 2021	6424 households earning less than R3500 per month (application based) provided with access to free basic services by the 30th of June 2021	3 (100% - 129%)	N/A	N/A	N/A	Indigents monthly reports.

REGULATED PERFORMANCE INDICATORS COMPARISON															
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	ANNUAL 2019/2020 FY PROGRESS REPORT								ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4, 5, Not Applicable)						ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4, 5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
RPI 09	100% of the municipality's capital budget actually spent on capital projects identified in the IDP by the 30th of June 2020 (Percentage : Total spending on capital projects divided by total capital budget x 100)	54% of the municipality's capital budget actually spent on capital projects identified in the IDP by the 30th of June 2020 (Percentage : Total spending on capital projects divided by total capital budget x 100)	1 (69% & below)	NKPA 4 - FINANCIAL VIABILITY & FINANCIAL MANAGEMENT	RPI 10	71% of the municipality's capital budget actually spent on capital projects identified in the IDP by the 30th of June 2020 (Percentage : Total spending on capital projects divided by total capital budget x 100)	100% of the municipality's YTD capital budget actually spent on capital projects identified in the IDP	Improve d Audit Opinion	95-100% of the municipality's YTD capital budget actually spent on capital projects identified in the IDP (Percentage : Total spending on capital projects divided by YTD capital budget x 100) by the 30th of June 2021	61% of the municipality's YTD capital budget actually spent on capital projects identified in the IDP (Percentage : Total spending on capital projects divided by YTD capital budget x 100) by the 30th of June 2021	1 (69% & below)	- Low capital expenditure possibly due to cash flow difficulties to implement projects - Bottlenecks within the supply chain processes	- Early implementation of capital projects for procurement for capital projects should be more streamlined to be more efficient	- Since the 2020-21 financial year and its capital budget has already been closed, it is too late to implement any corrective measures for that financial year. - However, going forward into the new 2021-22 financial year it is imperative corrective measures be implemented as soon as possible.	S71 Reports

REGULATED PERFORMANCE INDICATORS COMPARISON															
SDBIP REFERENCE	PERFORMANCE REPORTING 2019/2020 FY - ANNUAL PROGRESS REPORT			NATIONAL KEY PERFORMANCE AREA	SDBIP REFERENCE	BASELINE / STATUS QUO	INDICATOR	PROGRAMME	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL 2019/2020 FY PROGRESS REPORT								ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4, 5, Not Applicable)						ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4, 5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
RPI 10	9.78 Financial viability in terms of debt coverage achieved by the 30th of June 2020 (Ratio: Total operating revenue received minus operating grants divided by debt service payments (i.e.. Interests plus redemption))	-2.78 Financial viability in terms of debt coverage achieved by the 30th of June 2020 (Ratio: Total operating revenue received minus operating grants divided by debt service payments (i.e.. Interests plus redemption))	1 (69% & below)	NKPA 4 - FINANCIAL VIABILITY & FINANCIAL MANAGEMENT	RPI 11	8% achieved in 2019-20	Financial viability in terms of debt coverage achieved.	Improve d Audit Opinion	45% of Financial viability in terms of debt coverage achieved. (Ratio: (Short Term Borrowings+ Bank Overdraft + Short Term Lease + Long term borrowing + Long Term Lease) / (Total Operating Revenue - Operational by the 30th of June 2021	5% Financial viability in terms of debt coverage achieved. (Ratio: (Short Term Borrowings+ Bank Overdraft + Short Term Lease + Long term borrowing + Long Term Lease) / (Total Operating Revenue - Operational by the 30th of June 2021	1 (69% & below)	- A ratio below the norm indicates that the municipality is not highly dependent on debt to fund its operations. - A low ratio also indicates that the municipality still had capacity to take up increased funding through borrowings, provided that it met financing requirements	- No corrective measure required - A low ratio also indicates that the municipality still had capacity to take up increased funding through borrowings, provided that it met financing requirements.	No corrective measures required	Financial Reports

REGULATED PERFORMANCE INDICATORS COMPARISON															
SDBIP REFERENCE	PERFORMANCE REPORTING 2019/2020 FY - ANNUAL PROGRESS REPORT			NATIONAL KEY PERFORMANCE AREA	SDBIP REFERENCE	BASELINE / STATUS QUO	INDICATOR	PROGRAMME	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL 2019/2020 FY PROGRESS REPORT								ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4, 5, Not Applicable)						ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4, 5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
RPI 11	3.43 Financial viability in terms of cost coverage achieved by the 30th of June 2020 (Ratio: Available cash plus investments divided by monthly fixed operating expenditure)	0.22 Financial viability in terms of cost coverage achieved by the 30th of June 2020 (Ratio: Available cash plus investments divided by monthly fixed operating expenditure)	1 (69% & below)	NKPA 4 - FINANCIAL VIABILITY & FINANCIAL MANAGEMENT	RPI 12	Ratio was 0.87 months in 2019-20	Financial viability in terms of cash coverage achieved.	Improve d Audit Opinion	1-3 months of Financial viability in terms of cash coverage achieved. (Ratio: Available cash plus investments divided by monthly fixed operating expenditure) by the 30th of June 2021	0.56 months of Financial viability in terms of cash coverage achieved. (Ratio: Available cash plus investments divided by monthly fixed operating expenditure) by the 30th of June 2021	1 (69% & below)	- The municipality did not have sufficient cash reserves to meet its monthly fixed operating commitments during these periods due cash flow issues	- Debt collection measures be improved to increase the cash reserves of the municipality	Measures to improve the cash position of the municipality should be implemented immediately so to ensure the sustainability of the municipality.	Financial Reports
RPI 12	1.8 Financial viability in terms of outstanding service debtors to revenue achieved by the 30th of June 2020 (Ratio: Outstanding service debtors divided by annual revenue actually received for services)	14,20 Financial viability in terms of outstanding service debtors to revenue achieved by the 30th of June 2020 (Ratio: Outstanding service debtors divided by annual revenue actually	1 (69% & below)	NKPA 4 - FINANCIAL VIABILITY & FINANCIAL MANAGEMENT	RPI 13	97% achieved in 2019-20	Financial viability in terms of outstanding service debtors to revenue achieved.	Improve d Audit Opinion	< 100% Ratio of Financial viability in terms of outstanding service debtors to revenue achieved. (Ratio: Outstanding service debtors divided by annual revenue actually received for services) by	96 % Ratio of Financial viability in terms of outstanding service debtors to revenue achieved. (Ratio: Outstanding service debtors divided by annual revenue actually received for services) by	2 (70% - 99%)	- A ratio of 96% indicates that the closing balance on services debtors for the 2020-21 financial was 96% of the revenue received from service debtors. - This indicates that the revenue received from service debtors was	- Debt collection measures be improved to reduce the outstanding debtors which will result in an improved ratio.	Measures to improve the debtors book of the municipality should be implemented immediately so to ensure the sustainability of the municipality.	Financial Reports

REGULATED PERFORMANCE INDICATORS COMPARISON															
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	ANNUAL 2019/2020 FY PROGRESS REPORT								ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4, 5, Not Applicable)						ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4, 5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
		received for services)							the 30th of June 2021	the 30th of June 2021		at least greater than the closing balance on these service debtors.			
RPI 13	1000 x work opportunities created through LED development initiatives including Capital Projects by the 30th June 2020	1000 x work opportunities created through CWP Initiative	3 (100% - 129%)	NKPA 3 - LOCAL ECONOMIC DEVELOPMENT	RPI 14	1202 work opportunities created through CWP and Infrastructure sector.	1000 x work opportunities created through LED development initiatives	Community Work programme implemented and cooperatives supported	1000 x work opportunities created through LED development initiatives including Capital Projects by the 30th June 2021	1000 x work opportunities created through LED development initiatives including Capital Projects by the 30th June 2021	3 (100% - 129%)	N/A	N/A	N/A	CWP monthly report
RPI 14	1595 new housing units constructed by the 30th of June 2020	1755 new housing units constructed by the 30th of June 2020	3 (100% - 129%)	NKPA 2 - BASIC SERVICE DELIVERY	RPI 15	NIL	Number of Households with access to free basic refuse collection service	Improved access to basic services	1724 x new housing units constructed utilising external funding by the 30th June 2021	829 x housing units constructed utilising external funding by the 30th June 2021	1 (69% & below)	Delays in the NHBRC approval for design change, Social issues regarding local labour, Covid 19 restrictions. Contractor had left the site due to non payment from the IA but the contractor is back on site.	Design change approved, Issue of local labour have been sorted. Msunduzi municipality has issued breach of contract but no response to date and DoHS haven't made any comments.	N/A	Design change approval letter. Breach of contract letter.

2.3 COMMUNITY SERVICES

2.3.1 RECREATION AND FACILITIES

RECREATION & FACILITIES															
SDBIP REFERENCE	PERFORMANCE REPORTING 2019/2020 FY - ANNUAL PROGRESS REPORT			SDBIP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	BASELINE / STATUS QUO	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL 2019/2020 FY PROGRESS REPORT								ANNUAL 20/21 FY PROGRESS REPORT						
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R & F 01	Grass cut once per month in 29 wards a season (September 2019 - May 2020) as per grass cutting schedule by the 31st of May 2020	Grass not cut once per month in 29 wards	1 (69% & below)	R & F 01	NKPA 2 - BASIC SERVICE DELIVERY	Grass Cutting - Municipal Wards	Grass cut once per month in 29 wards a season as per grass cutting schedule	3 cuts in 29 wards per grass cutting season	Grass cut once per month in 29 wards a season as per grass cutting schedule (September 2020 - May 2021) by the 31st of May 2021	Grass cut once per month in 22 Wards a season as per grass cutting schedule (September 2020 - May 2021) by the 31st of May 2021	2 (70% - 99%)	Lack of funding to pay for servicing of Brush cutters	Implement in the 2021/2022 budget	31-Aug-21	Grass cutting schedules
	190 000	N/A	N/A						N/A	N/A	N/A	N/A	N/A	N/A	N/A
R & F 02	10 islands and 11 main entrances into CBD maintained monthly as per maintenance schedule by the 30th of June 2020	5 islands 5 main entrances into CBD maintained	1 (69% & below)	R & F 02	NKPA 2 - BASIC SERVICE DELIVERY	Grass Cutting - Islands and Gardens	10 islands and 11 main entrances into the CBD maintained monthly	5 islands and 10 main entrances	10 islands and 11 main entrances into the CBD maintained monthly as per maintenance schedule by the 30 June 2021	9 islands and 11 main entrances maintained monthly as per maintenance schedule by the 30 June 2021	2 (70% - 99%)	Weeding completed but no budget for seedlings and low maintenance plants	Implement in the 2021/2022 budget	30 09 21	Grass cutting schedules, photos
	190 000	N/A	N/A						N/A	N/A	N/A	N/A	N/A	N/A	N/A

RECREATION & FACILITIES															
SDBIP REFERENCE	PERFORMANCE REPORTING 2019/2020 FY - ANNUAL PROGRESS REPORT			SDBIP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	BASELINE / STATUS QUO	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT						
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	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)						ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
R & F 04	5000 x Books purchased as per book buying policy from Provincial Arts and Culture by the 31st of May 2020	0 x Books purchased as per book buying policy from Provincial Arts and Culture by the 31st of May 2020	1 (69% & below)	R & F 03	NKPA 2 - BASIC SERVICE DELIVERY	Purchase of library material at Libraries	3000 x Library Books purchased	35 279 Books	3000 x Library Books purchased as per book buying policy and received by the 31st of May 2021	0 x Library Books purchased as per book buying policy and received by the 31st of May 2021	1 (69% & below)	Budget was removed for purchasing of books	Books to be purchased in 21/22 if Budget is made available	21/22	N/A
	1 000 000	N/A	N/A						R 2 000 000	N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	R & F 04	NKPA 2 - BASIC SERVICE DELIVERY	Modification at Parks Changerooms	2 x modified containers/park homes purchased	NIL	2 x modified containers/park homes (changerooms/toilet facilities) purchased and delivered by the 31st of December 2020	2 x modified containers/park homes (changerooms/toilet facilities) purchased and delivered	3 (100% - 129%)	N/A	N/A	N/A	Delivery Notes
N/A	N/A	N/A	N/A						R 500 000	N/A	N/A	N/A	N/A	N/A	
N/A	N/A	N/A	N/A	R & F 05	NKPA 2 - BASIC SERVICE DELIVERY	Purchase of equipment at Parks	50 x Brush Cutters purchased	NIL	50 x Brush Cutters purchased and delivered by the 31st of August 2020	50 x Brush Cutters purchased and delivered	3 (100% - 129%)	N/A	N/A	N/A	Delivery Notes
N/A	N/A	N/A	N/A						R 1 200 000	N/A	N/A	N/A	N/A	N/A	

RECREATION & FACILITIES															
SDBIP REFERENCE	PERFORMANCE REPORTING 2019/2020 FY - ANNUAL PROGRESS REPORT			SDBIP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	BASELINE / STATUS QUO	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL 2019/2020 FY PROGRESS REPORT								ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)						ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
N/A	N/A	N/A	N/A	R & F 06	NKPA 2 - BASIC SERVICE DELIVERY	Fencing and upgrading Phase 1: Ethembeni Cemetery	370m Fencing of Ethembeni Cemetery	NIL	370m Fencing of Ethembeni Cemetery (Phase1) Ward 37 completed by the 30th of September 2020	370m Fencing of Ethembeni Cemetery (Phase1) Ward 37 completed	3 (100% - 129%)	N/A	N/A	N/A	Completion Certificate
			R 663 000							N/A	N/A	N/A	N/A	N/A	
N/A	N/A	N/A	N/A	R & F 07	NKPA 2 - BASIC SERVICE DELIVERY	Fencing and upgrading Phase 2: Ethembeni Cemetery	600m Fencing of Ethembeni Cemetery Ward 37	NIL	600m Fencing of Ethembeni Cemetery Ward 37 (Phase2: Block A&B) completed by the 30th of September 2020	600m Fencing of Ethembeni Cemetery Ward 37 (Phase2: Block A&B)	3 (100% - 129%)	N/A	N/A	N/A	Completion Certificate
			R 250 000							N/A	N/A	N/A	N/A	N/A	
N/A	N/A	N/A	N/A	R & F 08	NKPA 2 - BASIC SERVICE DELIVERY	Fencing at Bisley Nature Reserve	5000m Fencing of Bisley Valley Nature Reserve	NIL	5000m Fencing of Bisley Valley Nature Reserve Ward 24 completed by the 30th of June 2021	5000m Fencing of Bisley Valley Nature Reserve Ward 24 completed	3 (100% - 129%)	N/A	N/A	N/A	Completion Certificate
			R 3 500 000							N/A	N/A	N/A	N/A	N/A	
N/A	N/A	N/A	N/A	R & F 09	NKPA 2 - BASIC SERVICE DELIVERY	Purchase of 3 vehicles (4 x 4)	3 x vehicles purchased for Bisley Nature Reserve,	NIL	3 x vehicles purchased for Bisley Nature Reserve, Conservation and Ethembeni Cemetery by the 30th of June 2021	3 x vehicles purchased for Bisley Nature Reserve, Conservation and Ethembeni Cemetery by the 30th of June 2021	3 (100% - 129%)	N/A	N/A	N/A	Delivery Notes, Invoices
			R 1 500 000							N/A	N/A	N/A	N/A	N/A	

RECREATION & FACILITIES															
SDBIP REFERENCE	PERFORMANCE REPORTING 2019/2020 FY - ANNUAL PROGRESS REPORT			SDBIP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	BASELINE / STATUS QUO	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL 2019/2020 FY PROGRESS REPORT								ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)						ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
N/A	N/A	N/A	N/A	R & F 10	NKPA 2 - BASIC SERVICE DELIVERY	Implementation of EPWP and reporting to National Department of Public Works	100% Implementation and monitoring of EPWP	NIL	100% Implementation and monitoring of EPWP in accordance to the EPWP strategy by the 30th of June 2021	100% Implemented and monitored of EPWP in accordance to the EPWP strategy by the 30th of June 2021	3 (100% - 129%)	N/A	N/A	N/A	Reports and stats
N/A	N/A	N/A	N/A						R 4 300 000	N/A	N/A	N/A	N/A	N/A	
N/A	N/A	N/A	N/A	R & F 11	NKPA 2 - BASIC SERVICE DELIVERY	Fencing and upgrading Phase 1: Ethembeni Cemetery	600m of Ethembeni Cemetery roads in ward 37 upgraded	NIL	600m of Ethembeni Cemetery roads in ward 37 upgraded from gravel to tar/paving by the 30th of June 2021	600m of Ethembeni Cemetery roads in ward 37 upgraded	3 (100% - 129%)	N/A	N/A	N/A	Completion Certificates
N/A	N/A	N/A	N/A						R 2 337 000	N/A	N/A	N/A	N/A	N/A	

2.3.5 WASTE MANAGEMENT SERVICES

WASTE MANAGEMENT															
SDBIP REFERENCE	PERFORMANCE REPORTING 2019/2020 FY - ANNUAL PROGRESS REPORT			SDBIP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	BASELINE / STATUS QUO	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL 2019/2020 FY PROGRESS REPORT								ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)						ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
WM01	Refuse collection completed once a week for all households within Msunduzi Municipality for the 19/20 FY by the 30th of June 2020	Refuse collection completed once a week for all households within Msunduzi Municipality for the 19/20 FY by the 30th of June 2020	1 (69% & below)	WM01	NKPA 2 - BASIC SERVICE DELIVERY	Percentage of households with access to basic refuse collection.	1 x Weekly Refuse Removal provided per month for Msunduzi Households	1 x Weekly Refuse Removal provided per month for Msunduzi Households as per Refuse Collection Schedule	1 x Weekly Refuse Removal provided per month for Msunduzi Households as per Refuse Collection Schedule by the 30th of June 2021	1 x Weekly Refuse Removal provided per month for Msunduzi Households as per Refuse Collection Schedule by the 30th of June 2021	3 (100% - 129%)	N/A	N/A	N/A	Copy of the waste collection shedules , EW COP Vehicle tracking reports , indigent registers
	100 000 000.00	N/A	N/A						1 000 000	N/A	N/A	N/A	N/A	N/A	

WASTE MANAGEMENT															
SDBIP REFERENCE	PERFORMANCE REPORTING 2019/2020 FY - ANNUAL PROGRESS REPORT			SDBIP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	BASELINE / STATUS QUO	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL 2019/2020 FY PROGRESS REPORT								ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)						ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
N/A	N/A	N/A	N/A	WM02	NKPA 2 - BASIC SERVICE DELIVERY	Percentage of Households with Access to Free basic Refuse collection service	20 x Bulk Steel (25m3) Refuse Collection Containers purchased	NIL	20 x Bulk Steel (25m3) Refuse Collection Containers purchased by the 30th of June 2021	0 x Bulk Steel (25m3) Refuse Collection Containers purchased by the 30th of June 2021	1 (69% & below)	Service Providers were non-responsive for the first BID and the bid was re-advertised and an award has been made pending the appeals 14 days period.	Readvertised the specification.	Has already been implemented	Copy of the Award letter
N/A	N/A	N/A	R2 500 000							N/A	N/A	N/A	N/A	N/A	

WASTE MANAGEMENT															
SDBIP REFERENCE	PERFORMANCE REPORTING 2019/2020 FY - ANNUAL PROGRESS REPORT			SDBIP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	BASELINE / STATUS QUO	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL 2019/2020 FY PROGRESS REPORT								ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)						ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
N/A	N/A	N/A	N/A	WM03	NKPA 2 - BASIC SERVICE DELIVERY	New England Landfill Compliance to the Landfill Operational Licence	10 x Bulk Steel (8m3) Refuse Collection Containers purchased	NIL	10 x Bulk Steel (8m3) Refuse Collection Containers purchased by the 30th of June 2021	0 x Bulk Steel (8m3) Refuse Collection Containers purchased by the 30th of June 2021	1 (69% & below)	Service Providers were non-responsive for the first BID and the bid was re-advertised and an award has been made pending the appeals 14 days period.	Readvertised the specification.	Has already been implemented	Copy of the Award letter
N/A	N/A	N/A	R 300 000							N/A	N/A	N/A	N/A	N/A	
N/A	N/A	N/A	N/A												
N/A	N/A	N/A	N/A	WM04	NKPA 2 - BASIC SERVICE DELIVERY	New England Landfill Compliance to the Landfill Operational Licence	100 x Concrete Street Litter bins purchased	NIL	100 x Concrete Street Litter bins purchased by the 30th of June 2021	0 x Concrete Street Litter bins purchased by the 30th of June 2021	1 (69% & below)	Bid currently at BID Evaluation stage.	Readvertised the specification.	Has already been implemented	Evaluation
N/A	N/A	N/A	R 300 000							N/A	N/A	N/A	N/A	N/A	
N/A	N/A	N/A	N/A												

WASTE MANAGEMENT															
SDBIP REFERENCE	PERFORMANCE REPORTING 2019/2020 FY - ANNUAL PROGRESS REPORT			SDBIP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	BASELINE / STATUS QUO	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL 2019/2020 FY PROGRESS REPORT								ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)						ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
N/A	N/A	N/A	N/A	WM05	NKPA 2 - BASIC SERVICE DELIVERY	New England Landfill Compliance to the Landfill Operational Licence	26 x Bulk Steel (15m3) Refuse Collection Containers purchased	NIL	26 x Bulk Steel (15m3) Refuse Collection Containers purchased by the 30th of June 2021	0 x Bulk Steel (15m3) Refuse Collection Containers purchased by the 30th of June 2021	1 (69% & below)	Service Providers were non-responsive for the first BID and the bid was re-advertised and an award has been made pending the appeals 14 days period.	Readvertised the specification.	Has already been implemented	Copy of the Award letter
N/A	N/A	N/A	1 000 000							N/A	N/A	N/A	N/A	N/A	

2.4 INFRASTRUCTURE SERVICES

2.4.1 WASTER AND SANITATION

WATER & SANITATION															
SDBIP REFERENCE	PERFORMANCE REPORTING 2019/2020 FY - ANNUAL PROGRESS REPORT			SDBIP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	BASELINE / STATUS QUO	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL 2019/2020 FY PROGRESS REPORT								ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)						ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
W&S 1	Reduced Total Water Losses to 28.3% in Wards 1 to 38 (in total) based on International Water Association Balance by the 30th of June 2020	Total Water Losses = 29.9% (TYD) based on International Water Association Balance by the 30th June 2020	2 (70% - 99%)	W&S 01	NKPA 2 - BASIC SERVICE DELIVERY	WATER - NON REVENUE	Total Water Losses reduced to 28.3%	Reduced Total Water Losses to 28.3% in Wards 1 to 38 (in total) based on International Water Association Balance by the 30th of June 2020	Total Water Losses reduced to 28.3% based on the International Water Association Balance in Wards 1 to 38 (in total) by the 30th of June 2021	Total Water Losses reduced to 29.8% based on the International Water Association Balance in Wards 1 to 38 (in total) by the 30th of June 2021	2 (70% - 99%)	Meter reconciliation conducted resulting in a decrease in billing figures thus increasing water loss figures.	Awaiting completion of meter recons by billing unit.	2 months	IWA Water Balance
	R9,999,999.96	12.101.809,77	N/A						R 8,000,000	R 17,044,312	N/A	N/A	N/A	N/A	N/A
W&S 2	Pump station and Telemetry works to commence by 30 June 2020	Commencement of pump station and telemetry works completed by 30 June 2020 as well as pegging and earthworks for rising main to reservoir.	3 (100% - 129%)	W&S 02	NKPA 2 - BASIC SERVICE DELIVERY	WATER	Practical completion of reservoir, pump station and pipeline	100% of 5ML reservoir construction complete by 30th June 2020	Practical completion of reservoir, pump station and pipeline completed in Ward 39 by 30th of June 2021	Practical completion of reservoir, pump station and pipeline completed in Ward 39 by 30th of June 2021	3 (100% - 129%)	N/A	N/A	N/A	Practical Completion Certificate
	R 53,000,000	46.084.091,97	N/A						R 33,255,000	R 45,342,001	N/A	N/A	N/A	N/A	N/A

WATER & SANITATION															
SDBIP REFERENCE	PERFORMANCE REPORTING 2019/2020 FY - ANNUAL PROGRESS REPORT			SDBIP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	BASELINE / STATUS QUO	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL 2019/2020 FY PROGRESS REPORT								ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)						ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
W&S 3	3 x sanitation pumpstation upgrades completed by the 31st of December 2019	Received BAC resolution confirming cancellation of tender by 30 November 2019.	NOT APPLICABLE	W&S 10	Basic Service Delivery	Water	1 x Sanitation pump installation (Sobantu PS) completed	Site Establishment complete by 30th June 2020	1 x Sanitation pump installation (Sobantu PS) completed by the 28th of February 2021	3 x Sanitation pump installation (Sobantu PS, Hollingwood PS & Pointsettia PS) completed by the 30th June 2021	3 (100% - 129%)	N/A	N/A	N/A	Invoices & Delivery Notes
	R 500,000		N/A						R1,000,000.00	1,131,264	N/A	N/A	N/A	N/A	N/A
W&S 8	1.6 km of water pipe installed by the 30th of June 2020	1,314 km of Water Pipe installed by the 30th June 2020	2 (70% - 99%)	W&S 04	NKPA 2 - BASIC SERVICE DELIVERY	Water	2.6 km of new water pipeline constructed	Site Establishment complete by 30th June 2020	2.6 km of new water pipeline constructed in Ward 19 by the 30th of June 2021	4 km of new water pipeline constructed in Ward 19 by the 30th of June 2021	5 (150% - 167%)	N/A	N/A	N/A	June 2021 Progress Report
	R 4,500,000	R 3,523,735	N/A						R 5,000,000.00	R 4,425,820	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	W&S 05	NKPA 2 - BASIC SERVICE DELIVERY	Sanitation	1.35 km of new sewer pipeline installed	Site Establishment complete by 30th June 2020	1.35 km of new sewer pipeline installed in Ward 11 by the 30th of June 2021	2.151 km of new sewer pipeline installed in Ward 11 by the 30th of June 2021	5 (150% - 167%)	N/A	N/A	N/A	June 2021 Progress Report
N/A	N/A	N/A	N/A						R 11,500,000.00	R 14,634,712	N/A	N/A	N/A	N/A	N/A

WATER & SANITATION															
SDBIP REFERENCE	PERFORMANCE REPORTING 2019/2020 FY - ANNUAL PROGRESS REPORT			SDBIP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	BASELINE / STATUS QUO	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL 2019/2020 FY PROGRESS REPORT								ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)						ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
N/A	N/A	N/A	N/A	W&S 06	NKPA 2 - BASIC SERVICE DELIVERY	Sanitation	3 km of new sewer pipeline installed	Site Establishment complete by 30th June 2020	3 km of new sewer pipeline installed in Ward 16 by the 30th of June 2021	4.304 km of new sewer pipeline installed in Ward 16 by the 30th of June 2021	4 (130% - 149%)	N/A	N/A	N/A	June 2021 Progress Report
N/A	N/A	N/A	N/A						R 13,500,000.00	R 11,675,760	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	W&S 07	NKPA 2 - BASIC SERVICE DELIVERY	Sanitation	3.5 km of new sewer pipeline installed	Site Establishment complete by 30th June 2020	3.5 km of new sewer pipeline installed in Ward 13 & 18 cummulative by the 30th of June 2021	3.653 km of new sewer pipeline installed in Ward 13 & 18 cummulative by the 30th of June 2021	3 (100% - 129%)	N/A	N/A	N/A	June 2021 Progress Report
N/A	N/A	N/A	N/A						R 13,000,000.00	R 19,889,145	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	W&S 08	NKPA 2 - BASIC SERVICE DELIVERY	Sanitation	3.0 km of new sewer pipeline installed	Site Establishment complete by 30th June 2020	3.0 km of new sewer pipeline installed in Ward 21 by the 30th of June 2021	3.913 km of new sewer pipeline installed in Ward 21 by the 30th of June 2021	3 (100% - 129%)	N/A	N/A	N/A	June 2021 Progress Report
N/A	N/A	N/A	N/A						R 8,000,000	R 10,797,895	N/A	N/A	N/A	N/A	N/A

WATER & SANITATION															
SDBIP REFERENCE	PERFORMANCE REPORTING 2019/2020 FY - ANNUAL PROGRESS REPORT			SDBIP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	BASELINE / STATUS QUO	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL 2019/2020 FY PROGRESS REPORT								ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)						ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
N/A	N/A	N/A	N/A	W&S 09	NKPA 2 - BASIC SERVICE DELIVERY	Sanitation	2.9 km of new sewer pipeline installed	Final Appointment complete by 30th June 2020.	2.9 km of new sewer pipeline installed in Ward 15 by the 30th of June 2021	5.562 km of new sewer pipeline installed in Ward 15 by the 30th of June 2021	5 (150% - 167%)	N/A	N/A	N/A	June 2021 Progress Report
N/A	N/A	N/A	N/A						R 16,500,000.00	13,559,218	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	W&S 10	NKPA 2 - BASIC SERVICE DELIVERY	Sanitation	100% of concrete pouring for internal columns complete	Refurbishment of one sanitation pump station (Sobantu) required urgently due to current malfunctioning of pump station.	100% of concrete pouring for internal columns complete by the 30th June 2021	0% of concrete pouring for internal columns completed by the 30th of June 2021.	1 (69% & below)	Change in programme owing to budget constraints. Contractor amended programme to begin with rising main and scour line. Concrete works have been delayed to next FY.	Budget dependent, the contractor will adjust programme accordingly.	6 months	June 2021 Progress Report
N/A	N/A	N/A	N/A						R 17,000,000.00	R 16,170,875	N/A	N/A	N/A	N/A	N/A

2.4.2 ROADS AND TRANSPORTATION

ROADS AND TRANSPORTATION															
SDBIP REFERENCE	PERFORMANCE REPORTING 2019/2020 FY - ANNUAL PROGRESS REPORT			SDBIP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	BASELINE / STATUS QUO	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL 2019/2020 FY PROGRESS REPORT								ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)						ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
N/A	N/A	N/A	N/A	R&T 01	NKPA 2 - BASIC SERVICE DELIVERY	UPGRADING OF ROADS INTO BLACK TOP	Construction of 0.5 km road in Ashdown Ward 23 from gravel to black top	NIL	Construction of 0.5 km road in Ashdown Ward 23 from gravel to black top asphalt with associated stormwater completed by the 30th of November 2020	Construction of 0.5 km road in Ashdown Ward 23 from gravel to black top asphalt with associated stormwater completed	3 (100% - 129%)	N/A	N/A	N/A	Completion Certificate
N/A	N/A	N/A	N/A						R 1,700,000	N/A	N/A	N/A	N/A	N/A	N/A

ROADS AND TRANSPORTATION															
SDBIP REFERENCE	PERFORMANCE REPORTING 2019/2020 FY - ANNUAL PROGRESS REPORT			SDBIP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	BASELINE / STATUS QUO	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL 2019/2020 FY PROGRESS REPORT								ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)						ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
N/A	N/A	N/A	N/A	R&T 02	NKPA 2 - BASIC SERVICE DELIVERY	UPGRADING OF ROADS INTO BLACK TOP	Construction of 0.25 km road in Dambuza Ward 22 from gravel to black top	NIL	Construction of 0.25 km road in Dambuza Ward 22 from gravel to black top asphalt with associated stormwater completed by December 2020 and Preliminary design of a road in Dambuza Ward 22 completed by May 2021	Construction of 0.225 km road in Dambuza Ward 22 from gravel to black top asphalt with associated stormwater completed by December 2020 and Preliminary design of a road in Dambuza Ward 22 completed.	2 (70% - 99%)	NB: 0.225 km were constructed not 0.25km as 25m was encroaching on a private property.	NB: 0.225 km were constructed not 0.25km as 25m was encroaching on a private property.	Encroachment issue to be resolved first before continuing with project	Practical completion for construction and Preliminary design report
N/A	N/A	N/A	N/A					R 4,000,000	N/A	N/A	N/A	N/A	N/A	N/A	N/A

ROADS AND TRANSPORTATION																
SDBIP REFERENCE	PERFORMANCE REPORTING 2019/2020 FY - ANNUAL PROGRESS REPORT			SDBIP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	BASELINE / STATUS QUO	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT							
	ANNUAL 2019/2020 FY PROGRESS REPORT								ANNUAL 20/21 FY PROGRESS REPORT							
	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)						ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT	
N/A	N/A	N/A	N/A	R&T 03	NKPA 2 - BASIC SERVICE DELIVERY	UPGRADING OF ROADS INTO BLACK TOP	Construction of 0.45 km road in Greater Edendale from gravel to black top	NIL	Construction of 0.45 km road in Greater Edendale Ward 20 (Harewood) from gravel to black top asphalt with associated stormwater completed by the 31st of March 2021	Construction of 0.260 km road in Greater Edendale Ward 11 (Snathing) from gravel to black top asphalt with associated stormwater completed by the 30th of April 2021.	2 (70% - 99%)	The total length awarded was 810km which was done in phases. For phase 1 : we completed 550m the remaining 260m was then completed in phase 2.	Remaining portion to be completed in the new Financial Year	21/22	Practical Completion.	
N/A	N/A	N/A	N/A						R 1,700,000	N/A	N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A						R&T 04	NKPA 2 - BASIC SERVICE DELIVERY	UPGRADING OF ROADS INTO BLACK TOP	Construction of 0.280 km road from gravel to black top	NIL	Construction of 0.280 km road in Greater Edendale Ward 11 (Snathing) from gravel to black top asphalt with associated storm water completed by the 30th of April 2021	Construction of 0.260 km road in Greater Edendale Ward 11 (Snathing) from gravel to black top asphalt with associated storm water completed by the 30th of April 2021.	2 (70% - 99%)
N/A	N/A	N/A	N/A	R3,000,000.00	N/A	N/A	N/A	N/A	N/A					N/A	N/A	

ROADS AND TRANSPORTATION															
SDBIP REFERENCE	PERFORMANCE REPORTING 2019/2020 FY - ANNUAL PROGRESS REPORT			SDBIP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	BASELINE / STATUS QUO	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL 2019/2020 FY PROGRESS REPORT								ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)						ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
N/A	N/A	N/A	N/A	R&T 05	NKPA 2 - BASIC SERVICE DELIVERY	UPGRADING OF ROADS FROM track road to concrete road with associated stormwater	Construction of 0.9 km road in Greater Edendale Ward 17 (Shepstone Ambleton road) from track road to concrete road with associated stormwater	NIL	Construction of 0.9 km road in Greater Edendale Ward 17 (Shepstone Ambleton road) from track road to concrete road with associated stormwater completed by the 30th of June 2021	Construction of 0.9 km road in Greater Edendale Ward 17 (Shepstone Ambleton road) from track road to concrete road with associated stormwater completed	3 (100% - 129%)	N/A	N/A	N/A	Practical completion certificate
N/A	N/A	N/A	N/A						R 1,000,000	N/A	N/A	N/A	N/A	N/A	N/A

ROADS AND TRANSPORTATION															
SDBIP REFERENCE	PERFORMANCE REPORTING 2019/2020 FY - ANNUAL PROGRESS REPORT			SDBIP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	BASELINE / STATUS QUO	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL 2019/2020 FY PROGRESS REPORT								ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)						ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
N/A	N/A	N/A	N/A	R&T 06	NKPA 2 - BASIC SERVICE DELIVERY	UPGRADING OF ROADS INTO BLACK TOP	Construction of 1.02 km road in Vulindlela from gravel to black top	NIL	Construction of 1.02 km road in Vulindlela Ward 2 (D2069 PH3) from gravel to black top asphalt with associated stormwater completed by the 30th of May 2021	Construction of 1.02 km road in Vulindlela Ward 2 (D2069 PH3) from gravel to black top asphalt with associated stormwater NOT completed by the 30th of May 2021	2 (70% - 99%)	Insufficient funds. However the scope of the current contract was to construct the road upto G2 level, which is completed.	Source funds and appoint another contractor for surfacing the road.	2 months	Progress report
N/A	N/A	N/A	N/A					R 1,700,000	N/A	N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	R&T 07	NKPA 2 - BASIC SERVICE DELIVERY	UPGRADING OF ROADS INTO BLACK TOP	Construction of 0.7 km road in Vulindlela Ward 4 from gravel to black top	NIL	Construction of 0.7 km road in Vulindlela Ward 4 from gravel to black top asphalt with associated stormwater completed by the 31st of December 2020	0.7km road in Vulindlela Ward 4 from gravel to black top asphalt with associated stormwater completed by the 31st of December 2020	3 (100% - 129%)	N/A	N/A	N/A	Practical Completion Certificate
N/A	N/A	N/A	N/A					R 3,000,000	N/A	N/A	N/A	N/A	N/A	N/A	N/A

ROADS AND TRANSPORTATION															
SDBIP REFERENCE	PERFORMANCE REPORTING 2019/2020 FY - ANNUAL PROGRESS REPORT			SDBIP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	BASELINE / STATUS QUO	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL 2019/2020 FY PROGRESS REPORT								ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)						ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
N/A	N/A	N/A	N/A	R&T 08	NKPA 2 - BASIC SERVICE DELIVERY	UPGRADING OF ROADS INTO BLACK TOP	Site establishment for Construction of 1.5 km road in Vulindlela	NIL	Site establishment for Construction of 1.5 km road in Vulindlela Ward 6 from gravel to black top asphalt with associated stormwater commenced by the 30th of June 2021	Site establishment for Construction of 1.5 km road in Vulindlela Ward 6 from gravel to black top asphalt with associated stormwater NOT commenced by the 30th of June 2021	1 (69% & below)	The open tender process has been cancelled.	Appoint contractor from the panel of contractors SS55.	1 month	Cancellation notice
N/A	N/A	N/A	N/A						R3,000,000.00	N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	R&T 09	NKPA 2 - BASIC SERVICE DELIVERY	UPGRADING OF ROADS INTO BLACK TOP	Site establishment for Construction of 1.7 km road in Vulindlela	NIL	Site establishment for Construction of 1.7 km road in Vulindlela Ward 8 from gravel to black top asphalt with associated stormwater commenced by the 30th of June 2021	Site establishment for Construction of 1.7 km road in Vulindlela Ward 8 from gravel to black top asphalt with associated stormwater NOT commenced by the 30th of June 2021	1 (69% & below)	Availability of funds,	Arrange site handover meeting and create PO in July 2021.	2 weeks	Appointment letter
N/A	N/A	N/A	N/A						R1,700,000.00	N/A	N/A	N/A	N/A	N/A	N/A

ROADS AND TRANSPORTATION															
SDBIP REFERENCE	PERFORMANCE REPORTING 2019/2020 FY - ANNUAL PROGRESS REPORT			SDBIP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	BASELINE / STATUS QUO	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL 2019/2020 FY PROGRESS REPORT								ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)						ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
N/A	N/A	N/A	N/A	R&T 10	NKPA 2 - BASIC SERVICE DELIVERY	UPGRADING OF ROADS INTO BLACK TOP	Kerb and channeling completed	NIL	Kerb and channeling completed by the 30th of June 2021	Kerb and channeling NOT completed by the 30th of June 2021.	1 (69% & below)	Delays in sourcing of Sub-Contractor and delays due shortage of funds. Continuing with the construction of earth retaining structures.	Increase number of teams from 1 to 2 for kerb and channeling	2 months	Monthly Progress Report
N/A	N/A	N/A	N/A						R1,700,000.00	N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	R&T 11	NKPA 2 - BASIC SERVICE DELIVERY	UPGRADING OF ROADS INTO BLACK TOP	Construction of 1.8 km road in Vulindlela Ward 5 from gravel to black top	NIL	Construction of 1.8 km road in Vulindlela Ward 5 from gravel to black top asphalt completed by the 31st of March 2021	Construction of 1.8km road in Vulindlela ward 5 to black top asphalt has been completed.	3 (100% - 129%)	N/A	N/A	N/A	Practical Completion Certificate
N/A	N/A	N/A	N/A						R1,700,000.00	N/A	N/A	N/A	N/A	N/A	N/A

ROADS AND TRANSPORTATION															
SDBIP REFERENCE	PERFORMANCE REPORTING 2019/2020 FY - ANNUAL PROGRESS REPORT			SDBIP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	BASELINE / STATUS QUO	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL 2019/2020 FY PROGRESS REPORT								ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)						ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
N/A	N/A	N/A	N/A	R&T 12	NKPA 2 - BASIC SERVICE DELIVERY	UPGRADING OF ROADS INTO BLACK TOP	Site Establishment for Mabane Causeway in Vulindlela	NIL	Site Establishment for Mabane Causeway in Vulindlela ward 2 commenced by the 30th of June 2021	Site establishment for Mabane Causeway in Vulindlela ward 2 commenced by the 30th of June 2021.	3 (100% - 129%)	N/A	N/A	N/A	Monthly Progress report
N/A	N/A	N/A	N/A						R2,500,000.00	N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	R&T 14	NKPA 2 - BASIC SERVICE DELIVERY	UPGRADING OF ROADS INTO BLACK TOP	Construction of 0.65 km road in Edendale Ward 13 (France) from gravel to concrete surface	NIL	Construction of 0.65 km road in Edendale Ward 13 (France) from gravel to concrete surface with associated stormwater completed by the 30 of June 2021	Construction of 0.65 km road in Edendale Ward 13 (France) from gravel to concrete surface with associated stormwater completed	3 (100% - 129%)	N/A	N/A	N/A	Practical Completion Certificate
N/A	N/A	N/A	N/A						R 3,000,000	N/A	N/A	N/A	N/A	N/A	N/A

ROADS AND TRANSPORTATION															
SDBIP REFERENCE	PERFORMANCE REPORTING 2019/2020 FY - ANNUAL PROGRESS REPORT			SDBIP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	BASELINE / STATUS QUO	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL 2019/2020 FY PROGRESS REPORT								ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)						ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
N/A	N/A	N/A	N/A	R&T 15	NKPA 2 - BASIC SERVICE DELIVERY	UPGRADING OF ROADS INTO BLACK TOP	Construction of 1.2 km gravel road in Vulindlela Ward 3 from gravel to base layer	NIL	Construction of 1.2 km gravel road in Vulindlela Ward 3 from gravel to base layer with associated stormwater completed by the 28th of February 2021	Construction of 1.2 km gravel road in Vulindlela Ward 3 from gravel to base layer with associated stormwater practically completed by the 28th of February 2021.	3 (100% - 129%)	Contractor to commence with snag.	N/A	N/A	Practical completion certificate.
N/A	N/A	N/A	N/A						R 3,000,000	N/A	N/A	N/A	N/A	N/A	N/A

ROADS AND TRANSPORTATION															
SDBIP REFERENCE	PERFORMANCE REPORTING 2019/2020 FY - ANNUAL PROGRESS REPORT			SDBIP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	BASELINE / STATUS QUO	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL 2019/2020 FY PROGRESS REPORT								ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)						ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
N/A	N/A	N/A	N/A	R&T 16	NKPA 2 - BASIC SERVICE DELIVERY	UPGRADING OF ROADS INTO BLACK TOP	Detail design for Construction of 0.5 km road in Edendale Ward 18	NIL	Detail Design for Construction of 0.5 km road in Edendale Ward 18 (Unit 14 / Unit P) from gravel to black top asphalt with associated stormwater completed by the 30th November 2020	Detail Design for Construction of 0.5 km road in Edendale Ward 18 (Unit 14 / Unit P) from gravel to black top asphalt with associated stormwater completed	3 (100% - 129%)	N/A	N/A	N/A	Design Report
N/A	N/A	N/A	N/A						N/A	N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	R&T 17	NKPA 2 - BASIC SERVICE DELIVERY	UPGRADING OF ROADS INTO BLACK TOP	Final Detail Design of 1.5 km of gravel road for Vulindlela	NIL	Final Detail Design of 1.5 km of gravel road for Vulindlela ward 9 completed by the 31st of March 2021	Final Detail Design of 1.5 km of gravel road for Vulindlela ward 9 completed	2 (70% - 99%)	Draft detail design report submitted as the POE	N/A	N/A	Design Report
N/A	N/A	N/A	N/A						R3,000,000.00	N/A	N/A	N/A	N/A	N/A	N/A

ROADS AND TRANSPORTATION															
SDBIP REFERENCE	PERFORMANCE REPORTING 2019/2020 FY - ANNUAL PROGRESS REPORT			SDBIP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	BASELINE / STATUS QUO	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL 2019/2020 FY PROGRESS REPORT								ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)						ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
N/A	N/A	N/A	N/A	R&T 18	NKPA 2 - BASIC SERVICE DELIVERY	UPGRADING OF ROADS INTO BLACK TOP	Final Detail Design for Construction of 0.5 km road in Willowfontain Ward 14 from gravel to black top	NIL	Final Detail Design for Construction of 0.5 km road in Willowfontain Ward 14 from gravel to black top asphalt with associated stormwater completed by the 30th November 2020	Final Detail Design for Construction of 0.5 km road in Willowfontain Ward 14 from gravel to black top asphalt with associated stormwater completed	3 (100% - 129%)	N/A	N/A	N/A	Design Report
N/A	N/A	N/A	N/A						R2,500,000.00	N/A	N/A	N/A	N/A	N/A	N/A

ROADS AND TRANSPORTATION															
SDBIP REFERENCE	PERFORMANCE REPORTING 2019/2020 FY - ANNUAL PROGRESS REPORT			SDBIP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	BASELINE / STATUS QUO	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL 2019/2020 FY PROGRESS REPORT								ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)						ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
N/A	N/A	N/A	N/A	R&T 20	NKPA 2 - BASIC SERVICE DELIVERY	UPGRADING OF ROADS INTO BLACK TOP	Projected EIA approval for Construction of 0.5 km road in Georgetown / Esigodini	NIL	Projected EIA approval for Construction of 0.5 km road in Georgetown / Esigodini Ward 12 from gravel to black top asphalt with associated stormwater by the 30th of June 2021	Projected EIA NOT approved for Construction of 0.5 km road in Georgetown / Esigodini Ward 12 from gravel to black top asphalt with associated stormwater by the 30th of June 2021	1 (69% & below)	Project Is suspended until land acquisition is resolved Delay in Report to be submitted due to land acquisition	Resolve land acquisition issue	21/22FY	Letter from Rural Development, Email communication
N/A	N/A	N/A	N/A						N/A	N/A	N/A	N/A	N/A	N/A	N/A

ROADS AND TRANSPORTATION															
SDBIP REFERENCE	PERFORMANCE REPORTING 2019/2020 FY - ANNUAL PROGRESS REPORT			SDBIP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	BASELINE / STATUS QUO	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL 2019/2020 FY PROGRESS REPORT								ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)						ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
N/A	N/A	N/A	N/A	R&T 21	NKPA 2 - BASIC SERVICE DELIVERY	UPGRADING OF ROADS INTO BLACK TOP	Site establishment for Construction of 1.5 km road in Vulindlela	NIL	Site establishment for Construction of 1.5 km road in Vulindlela Ward 7 from gravel to black top asphalt with associated stormwater commenced by the 30th of June 2021	Site establishment for Construction of 1.5 km road in Vulindlela Ward 7 from gravel to black top asphalt with associated stormwater NOT commenced by the 30th of June 2021	1 (69% & below)	Non availability of funds.	Contractor has been appointed. Budget has been provided in the 2021/22 financial year.	2 weeks. Arrange site handover meeting and create PO in July 2021.	Appointment letter
N/A	N/A	N/A	N/A						R1,700,000.00	N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	R&T 22	NKPA 2 - BASIC SERVICE DELIVERY	UPGRADING OF ROADS INTO BLACK TOP	0,3km Concrete road with drainage completed	NIL	0,3km Concrete road with drainage and surfacing completed by the 30th of June 2021	0.695km of concrete road with drainage and surfacing completed by the 30th of June 2021.	5 (150% - 167%)	Additional budget was made available through the MIG internal allocation.	N/A	N/A	Progress report
N/A	N/A	N/A	N/A						R 3,000,000	N/A	N/A	N/A	N/A	N/A	N/A

ROADS AND TRANSPORTATION															
SDBIP REFERENCE	PERFORMANCE REPORTING 2019/2020 FY - ANNUAL PROGRESS REPORT			SDBIP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	BASELINE / STATUS QUO	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL 2019/2020 FY PROGRESS REPORT								ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)						ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
N/A	N/A	N/A	N/A	R&T 23	NKPA 2 - BASIC SERVICE DELIVERY	UPGRADING OF ROADS INTO BLACK TOP	Construction of 1 km length of Masoyi Road in Vulindlela	NIL	Construction of 1 km length of Masoyi Road in Vulindlela Ward 39, from gravel to asphalt surface with associated storm water by the 30th of June 2021	Construction of 1 km length of Masoyi Road in Vulindlela Ward 39, from gravel to asphalt surface with associated storm water NOT completed by the 30th of June 2021	1 (69% & below)	Delays due to rain and attending to additional scope of works	Extention of project duration to cater for all the works	2 Months	progress report
N/A	N/A	N/A	N/A						R3,000,000.00	N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	R&T 24	NKPA 2 - BASIC SERVICE DELIVERY	UPGRADING OF ROADS INTO BLACK TOP	60000sqm of surfaced roads rehabilitated	Deteriorated Road Infrastructure	60000sqm of surfaced roads rehabilitated (asphalt overlay, slurry seal, crack sealing and diluted immulsion) by the 30 of June 2021	60000sqm of surfaced roads rehabilitated (asphalt overlay, slurry seal, crack sealing and diluted immulsion).	3 (100% - 129%)	N/A	N/A	N/A	Close out Report
N/A	N/A	N/A	N/A						R3,000,000.00	N/A	N/A	N/A	N/A	N/A	N/A

ROADS AND TRANSPORTATION															
SDBIP REFERENCE	PERFORMANCE REPORTING 2019/2020 FY - ANNUAL PROGRESS REPORT			SDBIP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	BASELINE / STATUS QUO	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL 2019/2020 FY PROGRESS REPORT								ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)						ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
N/A	N/A	N/A	N/A	R&T 25	NKPA 2 - BASIC SERVICE DELIVERY	UPGRADING OF ROADS INTO BLACK TOP	Concept and Preliminary design for Sithole Road	Gravel Roads	Concept and Preliminary design for Sithole Road in Ward 9 completed by the 31st of May 2021	Concept and Preliminary design for Sithole Road in Ward 9 completed	3 (100% - 129%)	N/A	N/A	N/A	Design Report
N/A	N/A	N/A	N/A						R3,000,000.00	N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	R&T 26	NKPA 2 - BASIC SERVICE DELIVERY	IRPTN	55% of Work Package 2 completed	12% (layer works and earthworks)	55% of Work Package 2 completed by the 30th of June 2021. (Construction of earthworks, layer works, surfacing and ancillary works for road widening in Moses Mabhida Road between km 6.5 to km 7.5)	64% of Work Package 2 completed by the 30th of June 2021. (Construction of earthworks, layer works, surfacing and ancillary works for road widening in Moses Mabhida Road between km 6.5 to km 7.5)	3 (100% - 129%)	N/A	N/A	N/A	Monthly Progress Report
N/A	N/A	N/A	N/A						R0.00	N/A	N/A	N/A	N/A	N/A	N/A

ROADS AND TRANSPORTATION															
SDBIP REFERENCE	PERFORMANCE REPORTING 2019/2020 FY - ANNUAL PROGRESS REPORT			SDBIP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	BASELINE / STATUS QUO	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL 2019/2020 FY PROGRESS REPORT								ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)						ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
N/A	N/A	N/A	N/A	R&T 27	NKPA 2 - BASIC SERVICE DELIVERY	IRPTN	47% of Work Package 3 completed.	53% (layerworks and earthworks)	47% of Work Package 3 completed by the 30th of May 2021. (Construction of earthworks, layerworks, surfacing and ancillary works for road widening in Moses Mabhida Road between km 7.5 to km 8.8)	41% of Work Package 3 completed by the 30th of May 2021. Layerworks and earthworks are in progress. (Construction of earthworks, layerworks, surfacing and ancillary works for road widening in Moses Mabhida Road between km 7.5 to km 8.8).	2 (70% - 99%)	Historical delays as a result of suspension of work due to late payment of January and February invoices. Also National bitumen shortage and work on retaining wall stopped due to unsafe conditions.	Guniting of embankment to stabilize slip slope and the reprogramming of works	3 months	Monthly Progress Report
N/A	N/A	N/A	N/A					R56,984,689.85	N/A	N/A	N/A	N/A	N/A	N/A	N/A

ROADS AND TRANSPORTATION															
SDBIP REFERENCE	PERFORMANCE REPORTING 2019/2020 FY - ANNUAL PROGRESS REPORT			SDBIP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	BASELINE / STATUS QUO	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL 2019/2020 FY PROGRESS REPORT								ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)						ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
N/A	N/A	N/A	N/A	R&T 28	NKPA 2 - BASIC SERVICE DELIVERY	IRPTN	24% of Work Package 4 completed.	76% (layerworks, earthworks and retaining wall)	24% of Work Package 4 completed by the 28th of February 2021. (Construction of earthworks, layerworks, surfacing and ancillary works for road widening in Moses Mabhida Road between km 8.8 to km 10.3)	24% of Work Package 4 completed by the 28th of February 2021. (Construction of earthworks, layerworks, surfacing and ancillary works for road widening in Moses Mabhida Road between km 8.8 to km 10.3)	3 (100% - 129%)	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A						R 43,691,677.45	N/A	N/A	N/A	N/A	N/A	N/A

2.4.3 ELECTRICITY

ELECTRICITY															
SDBIP REFERENCE	PERFORMANCE REPORTING 2019/2020 FY - ANNUAL PROGRESS REPORT			SDBIP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	BASELINE / STATUS QUO	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL 2019/2020 FY PROGRESS REPORT								ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)						ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
N/A	N/A	N/A	N/A	ELEC 01	N/A	N/A	100% of faulty / defective electricity meters replaced as per technical exception table by the 30th of June 2021	N/A	100% of faulty / defective electricity meters replaced as per technical exception table by the 30th of June 2021	72% OF FAULTY/ DEFECTIVE ELECTRICITY METERS ATTENDED AS PER TECHNICAL EXCEPTION TABLE by the 31st January 2021	2 (70% - 99%)	A LIST OF 970 WAS PUT ON HOLD BY FINANCE IN ORDER TO ATTEND THE 328 PRIORITY FAULTY METERS (NEW EXCEPTION TABLE PROVIDED). 322 METERS HAVE BEEN ATTENDED OUT OF 328, WITH 236 SUCCESSFULLY COMPLETED WITH ONLY 82 METER REPLACEMENT	Capacitate the sections. Finance Revenue Section to verify their information prior to sending it to Electricity	Ongoing	monthly report and memos

ELECTRICITY															
SDBIP REFERENCE	PERFORMANCE REPORTING 2019/2020 FY - ANNUAL PROGRESS REPORT			SDBIP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	BASELINE / STATUS QUO	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL 2019/2020 FY PROGRESS REPORT								ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)						ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
N/A	N/A	N/A	N/A		N/A	N/A		N/A	R 250,000.00	N/A	N/A	N/A	N/A	N/A	

ELECTRICITY															
SDBIP REFERENCE	PERFORMANCE REPORTING 2019/2020 FY - ANNUAL PROGRESS REPORT			SDBIP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	BASELINE / STATUS QUO	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL 2019/2020 FY PROGRESS REPORT								ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)						ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
EL EC 03	2 X 11KV EQUIPMENT TO BE PURCHASED AND DELIVERED by the 30th of June 2020	2 X 11KV EQUIPMENT WERE PURCHASED AND DELIVERED by the 30th of June 2020	3 (100% - 129%)	EL EC 03	N/A	N/A	42 x 11kv equipment purchased and delivered	N/A	42 x 11kv equipment purchased and delivered by the 30th of June 2021	76 x 11kv equipment purchased and delivered by the 30th of June 2021	4 (130% - 149%)	More budget was made available for purchasing of additional equipment.	N/A	N/A	PURCHASE ORDER, INVOICES AND DELIVERY NOTES
	R 1,491,517.00	R 1,268,201.70	N/A		N/A	N/A		N/A	N/A	R11,955,628.00	N/A	N/A	N/A	N/A	N/A

ELECTRICITY															
SDBIP REFERENCE	PERFORMANCE REPORTING 2019/2020 FY - ANNUAL PROGRESS REPORT			SDBIP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	BASELINE / STATUS QUO	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL 2019/2020 FY PROGRESS REPORT								ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)						ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
EL EC 05	2 X VEHICLES PURCHASED AND DELIVERED BY THE 30TH JUNE 2020	0 X VEHICLES PURCHASED AND DELIVERED BY THE 30TH JUNE 2020	1 (69% & below)	EL EC 04	NKPA 2 - BASIC SERVICE DELIVERY	VEHICLES	3 X Vehicles purchased and delivered	N/A	3 X Vehicles purchased and delivered by the 30th of June 2021	09 X Vehicles purchased and delivered by the 30th of June 2021	5 (150% - 167%)	More budget was made available for purchasing of additional vehicles.	N/A	N/A	PURCHASE ORDER, INVOICES AND ENATIS DOCUMENTS
	500633.09	R 0.00	N/A						R 4 350 190.00	N/A	N/A	N/A	N/A	N/A	N/A

ELECTRICITY															
SDBIP REFERENCE	PERFORMANCE REPORTING 2019/2020 FY - ANNUAL PROGRESS REPORT			SDBIP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	BASELINE / STATUS QUO	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL 2019/2020 FY PROGRESS REPORT								ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)						ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
N/A	N/A	N/A	N/A	EL EC 05	NKPA 2 - BASIC SERVICE DELIVERY	HILTON 33KV NETWORK UPGRADE	3 X 26MVA Circuit with 630MM 1/Cable (12KM) tested and commissioned by the 30th of June 2021	2x 13 MVA (12KM) Circuit with 95MM 3/Cable	3 X 26MVA Circuit with 630MM 1/Cable (12KM) tested and commissioned by the 30th of June 2021	3 X 26MVA Circuit with 630MM 1/Cable (12KM) tested and commissioned by the 30th of June 2021	3 (100% - 129%)	N/A	N/A	N/A	CLOSE-OUT REPORT
N/A	N/A	N/A	R7 500 000.00						N/A	N/A	N/A	N/A	N/A		

ELECTRICITY															
SDBIP REFERENCE	PERFORMANCE REPORTING 2019/2020 FY - ANNUAL PROGRESS REPORT			SDBIP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	BASELINE / STATUS QUO	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL 2019/2020 FY PROGRESS REPORT								ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)						ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
N/A	N/A	N/A	N/A	EL EC 06	NKPA 2 - BASIC SERVICE DELIVERY	PROVISION OF TOOLS AND EQUIPMENT TO STAFF	Specialised tools and testing equipment for all electricians purchased and delivered by the 30th of June 2021	N/A	Specialised tools and testing equipment for all electricians purchased and delivered by the 30th of June 2021	157	3 (100% - 129%)	N/A	N/A	N/A	PURCHASE ORDERS, INVOICE AND DELIVERY NOTES
N/A	N/A	N/A	N/A					R1,000,000.00	N/A	N/A	N/A	N/A	N/A	N/A	N/A

ELECTRICITY															
SDBIP REFERENCE	PERFORMANCE REPORTING 2019/2020 FY - ANNUAL PROGRESS REPORT			SDBIP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	BASELINE / STATUS QUO	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL 2019/2020 FY PROGRESS REPORT								ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)						ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
N/A	N/A	N/A	N/A	EL EC 07	N/A	N/A	404 Household Connections to be achieved by 30th June 2021	N/A	404 Household Connections to be achieved by 30th June 2021	404 Household Connections were achieved by 30th June 2021	3 (100% - 129%)	N/A	N/A	N/A	CLOSE-OUT REPORT
N/A	N/A	N/A	N/A		N/A	N/A		N/A	R22,465,010.78	N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	EL EC 08	N/A	N/A	16 x laptops purchased and delivered by the 30th of June 2021	N/A	16 x laptops purchased and delivered by the 30th of June 2021	16 x laptops purchased and delivered by the 30th of June 2021	3 (100% - 129%)	N/A	N/A	N/A	DELIVERY NOTE
N/A	N/A	N/A	N/A		N/A	N/A		N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

ELECTRICITY															
SDBIP REFERENCE	PERFORMANCE REPORTING 2019/2020 FY - ANNUAL PROGRESS REPORT			SDBIP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	BASELINE / STATUS QUO	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL 2019/2020 FY PROGRESS REPORT								ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)						ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
N/A	N/A	N/A	N/A	EL EC 09	N/A	N/A	14 x ergonomic office chairs purchased and delivered by the 31st of December 2020	N/A	14 x ergonomic office chairs purchased and delivered by the 31st of December 2020	14 x ergonomic office chairs purchased and delivered by the 31st of December 2020	3 (100% - 129%)	N/A	N/A	N/A	DELIVERY NOTES
N/A	N/A	N/A	N/A		N/A	N/A		N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	EL EC 10	NKPA 2 - BASIC SERVICE DELIVERY	Meter audits	100% audit of bulk electricity meters completed by the 30th of	95	100% audit of bulk electricity meters completed by the 30th of June 2021	103%,audit of bulk electricity meters completed by the 30th of June 2021	3 (100% - 129%)	103%(808) OUT OF 782, WITH 19 ADDITIONAL BULK METERS WERE AUDITED	N/A	N/A	Bi-weekly and monthly reports

ELECTRICITY														
SDBIP REFERENCE	PERFORMANCE REPORTING 2019/2020 FY - ANNUAL PROGRESS REPORT			SDBIP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	BASELINE / STATUS QUO	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT					
	ANNUAL 2019/2020 FY PROGRESS REPORT								ANNUAL 20/21 FY PROGRESS REPORT					
	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)						ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES
							June 2021					BY 31 MAY 2021. DUE TO SPECIAL REQUESTS AND REVISITING OF SOME PROPERTIES FOR VERIFICATION, THERE HAS BEEN A DELAY IN MEETING THE 50% TARGET		

ELECTRICITY															
SDBIP REFERENCE	PERFORMANCE REPORTING 2019/2020 FY - ANNUAL PROGRESS REPORT			SDBIP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	BASELINE / STATUS QUO	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL 2019/2020 FY PROGRESS REPORT								ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)						ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
N/A	N/A	N/A	N/A						R587,400	N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	EL EC 11	NKPA 2 - BASIC SERVICE DELIVERY	Tariff Study	100% cost of supply (reflective) study completed by the 30th of June 2021	95	100% of cost of supply (reflective) study completed by the 30th of June 2021	39% of cost of supply (reflective) study completed by the 30th of June 2021	1 (69% & below)	Data and information collection . Data collection , Service provider working on spreadsheet to produce completed study	Weekly assessments of the service provider to be conducted by SCM and Electricity to ensure the revised schedule is met	30-Jun-21	Full report at end of project
N/A	N/A	N/A	N/A						R1,055,250	N/A	N/A	N/A	N/A	N/A	N/A

2.5 PROJECT MANAGEMENT OFFICE

PROJECT MANAGEMENT OFFICE															
SDBIP REFERENCE	PERFORMANCE REPORTING 2019/2020 FY - ANNUAL PROGRESS REPORT			SDBIP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	BASELINE / STATUS QUO	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL 2019/2020 FY PROGRESS REPORT								ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)						ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
PMO 39	Design and site establishment for Madiba Community Hall completed by the 30th of June 2020	Design and site establishment for Madiba Community Hall NOT completed by the 30th of June 2020. Only the preliminary Design was completed by the 30th of June 2020	2 (70% - 99%)	PMO 01	NKPA 2 - BASIC SERVICE DELIVERY	PUBLIC FACILITY CONSTRUCTION	Construction to foundation level for Madiba Community Hall	New	Commencement of Construction to foundation level for Madiba Community Hall in ward 34 completed by the 30th of June 2021	Commencement of Construction to foundation level for Madiba Community Hall in ward 34 not completed by the 30th of June 2021	1 (69% & below)	Waiting for the appointment of contractor	Extend Validity period	30-Oct-21	Appointment letter. Payment Certificate.
	R 2,000,000	R275,932	N/A						1 000 000	N/A	N/A	N/A	N/A	N/A	N/A

PROJECT MANAGEMENT OFFICE															
SDBIP REFERENCE	PERFORMANCE REPORTING 2019/2020 FY - ANNUAL PROGRESS REPORT			SDBIP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	BASELINE / STATUS QUO	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL 2019/2020 FY PROGRESS REPORT								ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)						ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
PMO 02	Final design for Ward 8 Community Hall Completed by the 30th of June 2020	Final design for ward 8 Community hall completed by the 30th June 2020	3 (100% - 129%)	PMO 02	NKPA 2 - BASIC SERVICE DELIVERY	PUBLIC FACILITY CONSTRUCTION	Construction of Foundation completed for Elandskop community Hal	New	Construction of Foundation completed for Elandskop community Hall in ward 8 by the 30th of June 2021	Construction of Foundation not completed for Elandskop community Hall in ward 8 by the 30th of June 2021	1 (69% & below)	Re-advertise the Appointment of contractor on open tender from close tender panel of contractors	Amend programme of the project by re-advertising the Appointment of contractor on open tender.	Appointment of contract or by 30 November 2021	Appointment letter. Payment Certificate
	R 900,000	R900 000.00	N/A						R1,700,000.00	N/A	N/A	N/A	N/A	N/A	N/A
PMO 03	Final design for Ward 24 Community Hall Completed by the 30th of June 2020	Final design for Ward 24 Community Hall Completed by the 30th of June 2020	3 (100% - 129%)	PMO 03	NKPA 2 - BASIC SERVICE DELIVERY	PUBLIC FACILITY CONSTRUCTION	Site establishment and excavation for Oribi Community Hall	Final design for Ward 24 Community Hall Completed by the 30th of June 2020	Site establishment and excavation for Oribi Community Hall in ward 24 by the 30th of April 2021	Site establishment and excavation not completed for Oribi Community Hall in ward 24 by the 30th of April 2021	1 (69% & below)	Spluma application delayed.	Amend the programme of the project.	Appointment of contract or by 31 December 2021	Appointment letter. Payment Certificate
	R 1,300,000	R 300,000	N/A						R500,000.00	N/A	N/A	N/A	N/A	N/A	N/A

PROJECT MANAGEMENT OFFICE															
SDBIP REFERENCE	PERFORMANCE REPORTING 2019/2020 FY - ANNUAL PROGRESS REPORT			SDBIP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	BASELINE / STATUS QUO	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL 2019/2020 FY PROGRESS REPORT								ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)						ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
N/A	N/A	N/A	N/A	PMO 04	NKPA 2 - BASIC SERVICE DELIVERY	PUBLIC FACILITY CONSTRUCTION	Site establishment and excavation for Oribi Community Hall	New	Construction of foundation level for Thembelihle Community Hall in ward 38 completed by the 30th of June 2021	Construction of foundation level for Thembelihle Community Hall in Ward 38 NOT completed by the 30th of June 2021.	1 (69% & below)	Appointment letter not issued due to high tender rates from bidders. To cancel the close tender process and go for open tender to allow for competitive bidding.	Advertise open tender for competitive bidding	6 months	Appointment letter. Payment Certificate
N/A	N/A	N/A	N/A						R2 000 000.00	N/A	N/A	N/A	N/A	N/A	N/A

PROJECT MANAGEMENT OFFICE															
SDBIP REFERENCE	PERFORMANCE REPORTING 2019/2020 FY - ANNUAL PROGRESS REPORT			SDBIP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	BASELINE / STATUS QUO	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL 2019/2020 FY PROGRESS REPORT								ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)						ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
PMO 15	Final Design for Ward 13 Community Hall completed by the 30th of June 2020	Final Design for Ward 13 Community Hall completed by the 30th of June 2020	3 (100% - 129%)	PMO 05	NKPA 2 - BASIC SERVICE DELIVERY	PUBLIC FACILITY CONSTRUCTION	Site Establishment for France Community Hall	Final Design for Ward 13 Community Hall completed by the 30th of June 2020	Site Establishment for France Community Hall in Ward 13 completed by the 31st of May 2021	Site Establishment for France Community Hall in Ward 13 not completed by the 31st of May 2021	1 (69% & below)	No funding to commence with the project	Project to be implemented via open tender	6 months	Appointment letter. Payment Certificate
	R 2,000,000	R -	N/A						R500,000.00	N/A	N/A	N/A	N/A	N/A	N/A
PMO 16	Final design for Ward 29 Community Hall completed by the 30th of June 2020. The rezoning and subdivision has been approved by SMC.	Final design for Ward 29 Community Hall NOT completed by the 30th of June 2020.	2 (70% - 99%)	PMO 06	NKPA 2 - BASIC SERVICE DELIVERY	PUBLIC FACILITY CONSTRUCTION	foundation for Copesville Community Hall	NIL	Commencement of foundation for Copesville Community Hall in ward 29 by 30th of June 2021	Commencement of foundation not completed for Copesville Community Hall in ward 29 by 30th of June 2021	1 (69% & below)	Delays in getting land acquisition approval which led to delays in the SPLUMA application	Extension of time	6 months	Payment Certificate. Appointment Letter

PROJECT MANAGEMENT OFFICE															
SDBIP REFERENCE	PERFORMANCE REPORTING 2019/2020 FY - ANNUAL PROGRESS REPORT			SDBIP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	BASELINE / STATUS QUO	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL 2019/2020 FY PROGRESS REPORT								ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)						ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
	R 300,000.00	R667,128	N/A						R1,300,000.00	N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	PMO 07	NKPA 2 - BASIC SERVICE DELIVERY	PUBLIC FACILITY CONSTRUCTION	Contractor for Mbizane Community Hall in Ward 5 appointed	New	Contractor for Mbizane Community Hall in Ward 5 appointed by the 30th of June 2021	Contractor for Mbizane Community Hall in Ward 5 not appointed by the 30th of June 2021	1 (69% & below)	The BSC report for the appointment of a contractor was presented on the 10th November 2020, tender notice was issued on the 9th April 2021 closing on the 30th April 2021, awaiting for Bid Adjudication Resolution.	Amend the programme of the project.	Appointment of contractor by 30th September 2021	Appointment letter. Payment Certificate
N/A	N/A	N/A	N/A						R670 000.00	N/A	N/A	N/A	N/A	N/A	N/A

PROJECT MANAGEMENT OFFICE															
SDBIP REFERENCE	PERFORMANCE REPORTING 2019/2020 FY - ANNUAL PROGRESS REPORT			SDBIP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	BASELINE / STATUS QUO	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL 2019/2020 FY PROGRESS REPORT								ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)						ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
PMO 42	Preliminary Designs for Mafunze Hall completed by the 30th of September 2019	Preliminary Designs for Mafunze Hall completed by the 30th of September 2019	3 (100% - 129%)	PMO 08	Basic Service Delivery	PUBLIC FACILITY CONSTRUCTION	Mass Earthworks and Commencement of Foundations for Mafunze Community Hall	New	Mass Earthworks and Commencement of Foundations for Mafunze Community Hall in ward 7 completed by the 30th of June 2021	Mass Earthworks and Commencement of Foundations for Mafunze Community Hall in ward 7 not completed by the 30th of June 2021	1 (69% & below)	Insufficient funds to start construction	Funds to be made available when the 2021/22 FY Implementation Plan is done	30th September 2021	Appointment letter. Payment Certificate
	R 300,000.00	R599,994	N/A						3,200,000.00	N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	PMO 09	NKPA 2 - BASIC SERVICE DELIVERY	Landfill Site Reshaping	40000m3 Reshaping of Msunduzi Landfill site	Landfill Management	40000m3 Reshaping of Msunduzi Landfill site in ward 35 completed by the 31st of March 2021	40000m3 Reshaping of Msunduzi Landfill site in ward 35 completed by the 31st of March 2021	3 (100% - 129%)	N/A	N/A	N/A	Completion Certificate
N/A	N/A	N/A	R2 820 000.00						N/A	N/A	N/A	N/A	N/A	N/A	

2. SUSTAINABLE DEVELOPMENT AND CITY ENTERPRISES

3.2 HUMAN SETTLEMENTS

HUMAN SETTLEMENTS															
SDBIP REFERENCE	PERFORMANCE REPORTING 2019/2020 FY - ANNUAL PROGRESS REPORT			SDBIP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	BASELINE / STATUS QUO	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL 2019/2020 FY PROGRESS REPORT								ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4, 5, Not Applicable)						ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4, 5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
HS 02	Final Housing Sector Plan prepared and submitted to SMC for onwards transmission to council for approval by the 29th of February 2020	Final Housing Sector Plan not prepared and submitted to SMC for onwards transmission to council for approval by the 29th of February 2020	1 (69% & below)	HS 02	NKPA 2 - BASIC SERVICE DELIVERY	Preparation and packaging of the Human Settlements Sector (Policy Document)	Final Housing Sector Plan submitted to SMC for onwards transmission to Council for approval	Inception Report in Place	Final Housing Sector Plan submitted to SMC for onwards transmission to Council for approval by the 30th of September 2020	Final Housing Sector Plan was submitted to SMC for onwards transmission to Council for approval by the 30th of September 2020	3 (100% - 129%)	N/A	N/A	N/A	Council Resolution
	N/A	N/A	N/A						R420325.00	N/A	N/A	N/A	N/A	N/A	N/A

HUMAN SETTLEMENTS															
SDBIP REFERENCE	PERFORMANCE REPORTING 2019/2020 FY - ANNUAL PROGRESS REPORT			SDBIP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	BASELINE / STATUS QUO	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL 2019/2020 FY PROGRESS REPORT								ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4, 5, Not Applicable)						ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4, 5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
HS 04	44 x new houses completed in the 19/20 FY for Edendale Unit S Phase 8 Ext by the 30th of June 2020	4 x new houses completed in the 19/20 FY for Edendale Unit S Phase 8 Ext by the 30th of June 2020	1 (69% & below)	HS 04	NKPA 2 - BASIC SERVICE DELIVERY	HUMAN SETTLEMENTS	102 x new houses completed in the 20/21 FY for Edendale Unit S	Construction of top structures to a value of R112 780 654.37 in ward 33 (Jika Joe Community Residential Unit) in the 19/20 FY by the 30th of June 2020	102 x new houses completed in the 20/21 FY for Edendale Unit S Phase 8 Ext by the 30th of June 2021	52 x new completions, 58 x wallplates, 57 x new foundations, 53 new roofs. In the 20/21 FY for Edendale phase 8 ext by 30th of June 2021	1 (69% & below)	IA moving at a slow pace. Missing Beneficiaries and administration matters.	IA to increase number of teams on site to try speed up production. New subcontractor introduced to work alongside current subcontractors. IA locates and verifies beneficiaries before commencement of construction to eliminate social issues.	2 months	D6
	N/A	N/A	N/A						N/A	N/A	N/A	N/A	N/A	N/A	N/A

HUMAN SETTLEMENTS															
SDBIP REFERENCE	PERFORMANCE REPORTING 2019/2020 FY - ANNUAL PROGRESS REPORT			SDBIP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	BASELINE / STATUS QUO	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL 2019/2020 FY PROGRESS REPORT								ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4, 5, Not Applicable)						ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4, 5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
HS 05	Construction of top structures to a value of R65 000,00 in ward 33 (Jika Joe Community Residential Unit) completed by the 30th of June 2020	Construction of top structures to a value of R 69 933 121.09 in ward 33 (Jika Joe Community Residential Unit) completed by the 30th June 2020	3 (100% - 129%)	HS 05	NKPA 2 - BASIC SERVICE DELIVERY	HUMAN SETTLEMENTS	Construction of top structures to the value of R59 270 000.00 in ward 33 (Jika Joe Community Residential Unit)	180 x new houses completed for the Wirewall Rectification Project in the 19/20 FY by the 30th of June 2020	Construction of top structures in Phase 1A to the value of R59 270 00 in ward 33 (Jika Joe Community Residential Unit) completed in the 20/21 FY by the 30th of June 2021	Construction of top structures in Phase 1A to the value of R42 756 220.06 in ward 33 (Jika Joe Community Residential Unit) to be completed in the 20/21 FY by the 30th of June 2021	1 (69% & below)	Delay in funding approval for additional works from the DoHS	The follow up letter on the funding approval has been sent to the Dohs	2 MONTHS	PAYMENT CERTIFICATE 31 & 32 WITH BOQ INVOICE NUMBER JJ/DOHS-25 & 26 MONTHLY PROGRESS REPORT
	65,000,000	N/A	N/A						R59 270 00	R42 756 220.06	N/A	N/A	N/A	N/A	N/A

HUMAN SETTLEMENTS															
SDBIP REFERENCE	PERFORMANCE REPORTING 2019/2020 FY - ANNUAL PROGRESS REPORT			SDBIP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	BASELINE / STATUS QUO	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL 2019/2020 FY PROGRESS REPORT								ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4, 5, Not Applicable)						ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4, 5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
HS 06	180 x new houses completed for Wirewall Rectification Project in the 19/20 FY by the 30th of June 2020	214 x new houses completed for Wirewall Rectification Project in the 19/20 FY by the 30th June 2020	3 (100% - 129%)	HS 06	NKPA 2 - BASIC SERVICE DELIVERY	HUMAN SETTLEMENTS	220 x new houses completed for the Wirewall Rectification Project	331 x new houses completed for Wirewall Rectification Project in the 19/20 FY by the 30th of June 2020	220 x new houses completed for the Wirewall Rectification Project in the 20/21 FY by the 30th June 2021	309 x new houses completed for the Wirewall Rectification Project in the 20/21 FY by the 30th June 2021	4 (130% -149%)	N/A	N/A	N/A	D6 or Municipal inspection sheet
	N/A	N/A	N/A						N/A	N/A	N/A	N/A	N/A	N/A	
HS 07	300 x Houses Renovated in the 19/20 FY for the Wirewall Rectification Project by the 30th of June 2020	189 x Houses Renovated in the 19/20 FY for the Wirewall Rectification Project by the 30th June 2020.	1 (69% & below)	HS 07	NKPA 2 - BASIC SERVICE DELIVERY	HUMAN SETTLEMENTS	180 x houses renovated for the Wirewall Rectification Project	N/A	180 x houses renovated for the Wirewall Rectification Project in the 20/21 FY by the 30th of June 2021	370 x houses renovated for the Wirewall Rectification Project in the 20/21 FY by the 30th of June 2021	5 (150% - 167%)	N/A	N/A	N/A	D6 or Municipal inspection sheet
	N/A	N/A	N/A						N/A	N/A	N/A	N/A	N/A	N/A	

HUMAN SETTLEMENTS															
SDBIP REFERENCE	PERFORMANCE REPORTING 2019/2020 FY - ANNUAL PROGRESS REPORT			SDBIP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	BASELINE / STATUS QUO	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL 2019/2020 FY PROGRESS REPORT								ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4, 5, Not Applicable)						ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4, 5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
HS 09	120 x new housing units completed in the 19/20 FY for the Site 11 Housing Project by the 30th of June 2020	0 x new housing units completed in the 19/20 FY for the Site 11 Housing Project by the 30th of June 2020	1 (69% & below)	HS 09	NKPA 2 - BASIC SERVICE DELIVERY	HUMAN SETTLEMENTS	78 x new houses completed for the Site 11 Housing project	N/A	78 x new houses completed for the Site 11 Housing project (Ward 32) for the 20/21 FY by the 30th of June 2021	25 x new houses completed for the Site 11 Housing project (Ward 32) for the 20/21 FY by the 30th of June 2021	1 (69% & below)	Slow progress on site. The implementing Agent lacks the capacity to deliver as per the program	There was a meeting held to discuss the slow progress and the Municipality issued the IA a letter with weekly targets that needs to be achieved and will be used to monitor the Project.	2 Months	Letter to the IA
	N/A	N/A	N/A						N/A	N/A	N/A	N/A	N/A	N/A	N/A

HUMAN SETTLEMENTS															
SDBIP REFERENCE	PERFORMANCE REPORTING 2019/2020 FY - ANNUAL PROGRESS REPORT			SDBIP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	BASELINE / STATUS QUO	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL 2019/2020 FY PROGRESS REPORT								ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4, 5, Not Applicable)						ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4, 5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
HS 10	120 x new housing units completed in the 19/20 FY for Thamoville Housing Project by the 30th of June 2020	0 x new housing units completed in the 19/20 FY for Thamoville Housing Project by the 30th of June 2020.	1 (69% & below)	HS 10	NKPA 2 - BASIC SERVICE DELIVERY	HUMAN SETTLEMENTS	78 x new houses completed for the Thamboville Housing project	N/A	78 x new houses completed for the Thamboville Housing project (Ward 38) for the 20/21 FY by the 30th of June 2021	41 x new houses completed for the Thamboville Housing project (Ward 38) for the 20/21 FY by the 30th of June 2021	1 (69% & below)	Slow progress on site. The implementing Agent lacks the capacity to deliver as per the program	There was a meeting held to discuss the slow progress and the Municipality issued the IA a letter with weekly targets that needs to be achieved and will be used to monitor the Project.	2 Months	Letter to the IA
	N/A	N/A	N/A						N/A	N/A	N/A	N/A	N/A	N/A	N/A

HUMAN SETTLEMENTS															
SDBIP REFERENCE	PERFORMANCE REPORTING 2019/2020 FY - ANNUAL PROGRESS REPORT			SDBIP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	BASELINE / STATUS QUO	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL 2019/2020 FY PROGRESS REPORT								ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4, 5, Not Applicable)						ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4, 5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
HS 11	120 x new housing units completed in the 19/20 FY for Glenwood Q section Housing Project by the 30th of June 2020	0 x new housing units completed in the 19/20 FY for Glenwood Q section Housing Project by the 30th of June 2020.	1 (69% & below)	HS 11	NKPA 2 - BASIC SERVICE DELIVERY	HUMAN SETTLEMENTS	50 x new houses completed for the Glenwood Q-Section Housing project	N/A	50 x new houses completed for the Glenwood Q-Section Housing project (Ward 38) for the 20/21 FY by the 30th of June 2021	1 x new houses completed for the Glenwood Q-Section Housing project (Ward 38) for the 20/21 FY by the 30th of June 2021	1 (69% & below)	Delays in the NHBRC approval for design change. Covid 19 restrictions . Shortage of teams working on site.	Design change approved, teams have been added on site	3 Weeks	D6 copies, Design change approval letter
	N/A	N/A	N/A						N/A	N/A	N/A	N/A	N/A	N/A	

HUMAN SETTLEMENTS															
SDBIP REFERENCE	PERFORMANCE REPORTING 2019/2020 FY - ANNUAL PROGRESS REPORT			SDBIP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	BASELINE / STATUS QUO	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL 2019/2020 FY PROGRESS REPORT								ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4, 5, Not Applicable)						ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4, 5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
HS 12	120 x new housing units completed in the 19/20 FY for Thembalihle Housing Project by the 30th of June 2020	0 x new housing units completed in the 19/20 FY for Thembalihle Housing Project by the 30th of June 2020.	1 (69% & below)	HS 12	NKPA 2 - BASIC SERVICE DELIVERY	HUMAN SETTLEMENTS	78 x new houses completed for the Thembalihle Housing project	N/A	78 x new houses completed for the Thembalihle Housing project (Ward 38) for the 20/21 FY by the 30th of June 2021	1 x new houses completed, 26 slabs and 6 wallplates for the Thembalihle Housing project (Ward 38) for the 20/21 FY by the 30th of June 2021	1 (69% & below)	Slow progress on site.	There was a meeting held to discuss the slow progress and the Municipality issued the IA a letter with weekly targets that needs to be achieved and will be used to monitor the Project.	2 Months	Letter to the IA
	N/A	N/A	N/A						N/A	N/A	N/A	N/A	N/A	N/A	N/A

HUMAN SETTLEMENTS															
SDBIP REFERENCE	PERFORMANCE REPORTING 2019/2020 FY - ANNUAL PROGRESS REPORT			SDBIP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	BASELINE / STATUS QUO	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL 2019/2020 FY PROGRESS REPORT								ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4, 5, Not Applicable)						ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4, 5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
N/A	N/A	N/A	N/A	HS 15	NKPA 2 - BASIC SERVICE DELIVERY	Municipal Rental Stock	50 x new houses completed for the Happy Valley Housing project	120 New Leases signed by 30 June 2020	50 x new houses completed for the Happy Valley Housing project (Ward 32) for the 20/21 FY by the 30th of June 2021	1 x new houses completed for the Happy Valley Housing project (Ward 32) for the 20/21 FY by the 30th of June 2021	1 (69% & below)	Delays in the NHBRC approval for design change, Social issues regarding local labour, Covid 19 restrictions	Design change approved, Issues of local labour have been sorted	3 Weeks	D6 copy, Design change approval letter
N/A	N/A	N/A	N/A						N/A	N/A	N/A				
N/A	N/A	N/A	N/A	HS 16	NKPA 2 - BASIC SERVICE DELIVERY	Municipal Rental Stock	180 x Leases prepared (1 July 2020 to 30 June 2021)	147 Tenants handed over to attorneys for eviction	180 x Leases prepared (1 July 2020 to 30 June 2021) for signature for verified tenancies by the 30th of June 2021	31 Leases prepared (1 July 2020 to 30 June 2021) for signature for verified tenancies by the 30 June 2021. 00 Leases signed in the month of June 2021.	1 (69% & below)	A large number of tenants signed new leases in the year 2019/20. COVID Restrictions	Follow up with the tenants that have not signed New Leases.	On-Going	Copy of signed Lease Agreements
N/A	N/A	N/A	N/A						N/A	N/A	N/A	N/A	N/A	N/A	N/A

HUMAN SETTLEMENTS															
SDBIP REFERENCE	PERFORMANCE REPORTING 2019/2020 FY - ANNUAL PROGRESS REPORT			SDBIP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	BASELINE / STATUS QUO	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL 2019/2020 FY PROGRESS REPORT								ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4, 5, Not Applicable)						ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4, 5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
N/A	N/A	N/A	N/A	N/A	N/A	N/A	SPLUMA application prepared and submitted by the implementing agent to Msunduzi Municipality	N/A	SPLUMA application prepared and submitted by the implementing agent to Msunduzi Municipality by the 30th of June 2021	SPLUMA Application has been Prepared and submitted by the IA on 1st June 2021 to the Msunduzi Municipality	3 (100% - 129%)	N/A	N/A	N/A	SPLUMA Application Submitted on dated 1st June 2021.
N/A	N/A	N/A	N/A	N/A	N/A	N/A		N/A	R3026095.88	N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A	N/A	50 x new houses completed for the Lot 182 project	N/A	50 x new houses completed for the Lot 182 project (Ward 11) for the 20/21 FY by the 30th of June 2021	0 x new houses completed for the Lot 182 project (Ward 11) for the 20/21 FY by the 30th of June 2021	1 (69% & below)	Contract expired in March 2021, since then no activity have been taking place.	Provincial Department of Human Settlements to appoint the new implementing agent.	4 (Four) Months	Expired Contract
N/A	N/A	N/A	N/A	N/A	N/A	N/A		N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

HUMAN SETTLEMENTS															
SDBIP REFERENCE	PERFORMANCE REPORTING 2019/2020 FY - ANNUAL PROGRESS REPORT			SDBIP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	BASELINE / STATUS QUO	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL 2019/2020 FY PROGRESS REPORT								ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4, 5, Not Applicable)						ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4, 5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
N/A	N/A	N/A	N/A	N/A	N/A	N/A	70 x new houses completed in the 20/21 FY for Umgungundlovu Rectification Project	N/A	70 x new houses completed in the 20/21 FY for Umgungundlovu Rectification Project by the 30th of June 2021	0 x new houses completed in the 20/21 FY for Umgungundlovu Rectification Project by the 30th of June 2021	1 (69% & below)	Contractor had left the site due to non payment from the IA but the contractor is back on site.	Msunduzi municipality has issued breach of contract but no response to date and DoHS haven't made any comments.	No response from DoHS to date but the contractor is back on site.	Breach of contract letter
N/A	N/A	N/A	N/A	N/A	N/A	N/A		N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A	N/A	150 x Council rental stock verified to have occupancy	N/A	150 x Council rental stock verified to have occupancy by the correct tenants by the 30th of June 2021	25 x Council rental stock verified to have occupancy by the correct tenants by the 30th of June 2021. 00 Verification for the month of June 2021.	1 (69% & below)	A large number of tenants have verified for the year 2019/20. COVID Restrictions	Follow up with the tenants that have not returned the Verification Forms	On-Going	Copy of Verification forms

HUMAN SETTLEMENTS															
SDBIP REFERENCE	PERFORMANCE REPORTING 2019/2020 FY - ANNUAL PROGRESS REPORT			SDBIP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	BASELINE / STATUS QUO	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL 2019/2020 FY PROGRESS REPORT								ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4, 5, Not Applicable)						ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4, 5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
N/A	N/A	N/A	N/A	N/A	N/A	N/A		N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A	N/A	100% of defaulting tenants to be handed over to Attorneys	N/A	100% of defaulting tenants to be handed over to Attorneys to implement legal processes by the 30th of June 2021	100% of defaulting tenants to be handed over to Attorneys to implement legal processes by the 30th of June 2021	3 (100% - 129%)	N/A	N/A	N/A	Copy of Eviction Report from Attorneys
N/A	N/A	N/A	N/A	N/A	N/A	N/A		N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

3.3 CITY ENTITIES

CITY ENTITIES															
SDBIP REFERENCE	PERFORMANCE REPORTING 2019/2020 FY - ANNUAL PROGRESS REPORT			SDBIP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	BASELINE / STATUS QUO	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL 2019/2020 FY PROGRESS REPORT								ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)						ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
CE 01	7 x Msunduzi Art Exhibitions held by the 30th of June 2020	7 Msunduzi Art Exhibitions held by the 30th of June 2020	3 (100% - 129%)	CE 01	NKPA 2 - BASIC SERVICE DELIVERY	Community Outreach Programme	6 x new Msunduzi Art Exhibitions held	10 Art Exhibitions	6 x new Msunduzi Art Exhibitions held by the 31st of May 2021	7 x new Msunduzi Art exhibitions held by 31 May 2021	3 (100% - 129%)	additional exhibition offered to TAG during the financial year	N/A	N/A	POE, Outline document, social media coverage, photographs
	1,600,000	1600000	N/A						41604	N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	CE 02	NKPA 2 - BASIC SERVICE DELIVERY	Exit roller doors	4 x Exit Roller Doors to be installed at PMB Marke	4 exit roller doors to be refurbished by June 2020	4 x Exit Roller Doors to be installed at PMB Market in the 20/21 FY by the 31st of January 2021	4 x Exit roller doors to be refurbished by 31 January 2021	3 (100% - 129%)	N/A	N/A	N/A	Invoice
	N/A	N/A	N/A						918,000	N/A	N/A	N/A	N/A	N/A	N/A
CE 05	169 CCTV Cameras to be monitored 24 hours in all areas with CCTV coverage by the 30th of June 2020	169 CCTV Cameras to be monitored 24 hours in all areas with CCTV coverage by the 30th of June 2020	3 (100% - 129%)	CE 04	NKPA 6 - CROSS CUTTING	Crime, Bylaw. Sub Station and Monitoring through CCTV Cameras	169 x CCTV Cameras to be monitored	169 CCTV Cameras monitored 24 hours in all areas with CCTV coverage by the 30th of June 2020	169 CCTV Cameras to be monitored 24 hours in all areas with CCTV coverage by the 30th of June 2021	169 CCTV Cameras monitored 24 hours in all areas with CCTV coverage by the 30th of June 2021	3 (100% - 129%)	N/A	N/A	N/A	Monthly reports to Sm City Entities
	R3 271 519	R2 267 121	N/A						R14 369 886	R11,203,383	N/A	N/A	N/A	N/A	N/A

CITY ENTITIES															
SDBIP REFERENCE	PERFORMANCE REPORTING 2019/2020 FY - ANNUAL PROGRESS REPORT			SDBIP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	BASELINE / STATUS QUO	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL 2019/2020 FY PROGRESS REPORT								ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)						ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
CE 06	12 x Monthly Reports of criminal incidents detected by CCTV Cameras prepared and submitted to the SM: City Entities within 7 days after month end by the 30th of June 2020	12 x Monthly Reports of criminal incidents detected by CCTV Cameras prepared and submitted to the SM: City Entities within 7 days after month end by the 30th of June 2020	3 (100% - 129%)	CE 05	NKPA 6 - CROSS CUTTING	Crime, Bylaw. Sub Station and Monitoring through CCTV Cameras	12 x Monthly Reports of criminal incidents detected by CCTV Cameras	12 x Monthly Reports of criminal incidents detected by CCTV Cameras prepared and submitted to the SM: City Entities by the 30th of June 2020	12 x Monthly Reports of criminal incidents detected by CCTV Cameras prepared and submitted to the SM: City Entities within 7 days after month end by the 30th June 2021	12 x Monthly Reports of criminal incidents detected by CCTV Cameras was prepared and submitted to the SM: City Entities within 7 days after month end by the 30th June 2021	3 (100% - 129%)	N/A	N/A	N/A	Monthly reports to Sm City Entities
	N/A	N/A	N/A						N/A	N/A	N/A	N/A	N/A	N/A	N/A

CITY ENTITIES															
SDBIP REFERENCE	PERFORMANCE REPORTING 2019/2020 FY - ANNUAL PROGRESS REPORT			SDBIP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	BASELINE / STATUS QUO	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL 2019/2020 FY PROGRESS REPORT								ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)						ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
CE 07	2 Minutes Turn-around time of reporting to SAPS or Municipal Traffic Dept. Or Security of every criminal or suspicious incidents & Bylaws violations taking place in all areas with CCTV Camera coverage by the 30th June 2020	Ave 1.5 min Minutes Turn-around time of reporting to SAPS or Municipal Traffic Dept. Or Security of every criminal or suspicious incidents & Bylaws violations taking place in all areas with CCTV Camera coverage by the 30th June 2020	4 (130% - 149%)	CE 06	NKPA 6 - CROSS CUTTING	Crime, Bylaw. Sub Station and Monitoring through CCTV Camera	2 Minutes Turn-around time of reporting to SAPS or Municipal Traffic Dept.	2 Minutes Turn-around time of reporting to SAPS or Municipal Traffic Dept. Or Security of criminal incidents & Bylaws violations taking place in all areas with CCTV Camera coverage by the 30th of June 2020	2 Minutes Turn-around time of reporting to SAPS, Municipal Traffic or Security Dept. of every criminal or suspicious incidents & Bylaws violations taking place in all areas with CCTV Camera coverage by the 30th June 2021	Ave 1.3 Minutes Turn-around time of reporting to SAPS, Municipal Traffic or Security Dept. of every criminal or suspicious incidents & Bylaws violations taking place in all areas with CCTV Camera coverage by the 30th June 2021	3 (100% - 129%)	N/A	N/A	N/A	Safe City Occurrence Book
	N/A	N/A	N/A						N/A	N/A	N/A	N/A	N/A	N/A	N/A
CE 08	240 x CCTV inspections conducted as per the maintenance schedule by Safe City Technicians by the 30th of June 2020	245 x CCTV inspections conducted as per the maintenance schedule by Safe City Technicians by the 30th of June 2020	3 (100% - 129%)	CE 07	NKPA 6 - CROSS CUTTING	Crime, Bylaw. Sub Station and Monitoring through CCTV Camera	240 x CCTV inspections conducted as per the maintenance schedule	240 daily CCTV inspections conducted by the 30th of June 2020	240 x CCTV inspections conducted as per the maintenance schedule by Safe City Technicians by the 30th of June 2021	242 x CCTV inspections was conducted as per the maintenance schedule by Safe City Technicians by the 30th of June 2021	3 (100% - 129%)	N/A	N/A	N/A	Safe City Technical Maintenance Schedules
	N/A	N/A	N/A						N/A	N/A	N/A	N/A	N/A	N/A	N/A

CITY ENTITIES															
SDBIP REFERENCE	PERFORMANCE REPORTING 2019/2020 FY - ANNUAL PROGRESS REPORT			SDBIP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	BASELINE / STATUS QUO	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL 2019/2020 FY PROGRESS REPORT								ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)						ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5 , Not Applicable)	REASON FOR DEVIATION	CORRECTI VE MEASURE	TIMEFRA ME TO IMPLEME NT CORRECTI VE MEASURE S	SOURCE DOCUMENT
CE 09	Average 3 days turn-around time to repair faulty CCTV equipment as per the Faults Register/Book by the 30th of June 2020	Average 1 day turn-around time to repair faulty CCTV equipment as per the Faults Register/Book by the 30th of June 2020	4 (130% - 149%)	CE 08	NKPA 6 - CROSS CUTTING	Crime, Bylaw. Sub Station and Monitoring through CCTV Camera	Average 3 days turn-around time to repair faulty CCTV equipment by the 30th of June 2020	Average 3 days turn-around time to repair faulty CCTV equipment as per the Faults Register/Book by the 30th of June 2021	Average 3 days turn-around time to repair faulty CCTV equipment as per the Faults Register/Book by the 30th of June 2021	Average 1 Day turn-around time to repair faulty CCTV equipment as per the Faults Register/Book by the 30th of June 2021	3 (100% - 129%)	N/A	N/A	N/A	Safe City Technical Task Forms
	N/A	N/A	N/A					14,369,886	R11,203,383	N/A	N/A	N/A	N/A	N/A	Monthly reports to SM City Entities
CE 10	100% Monitoring of Camera Downtime in order to ensure no less that 90% of Cameras are operational in all CCTV cameras under control of Safe City by the 30th June 2020	100% Monitoring of Camera Downtime ensured 99% of Cameras were operational in all CCTV cameras under control of Safe City by the 30th June 2020	3 (100% - 129%)	CE 09	NKPA 6 - CROSS CUTTING	Crime, Bylaw. Sub Station and Monitoring through CCTV Camera	90% or more of all CCTV cameras under control of Safe City	To ensure that minimal cctv cameras under control of Safe City be off line by the 30th of June 2020	90% or more of all CCTV cameras under control of Safe City to be fully operational by the 30th of June 2021	99% of all CCTV cameras under control of Safe City were fully operational by the 30th of June 2021	3 (100% - 129%)	N/A	N/A	N/A	Safe City Technical Task Forms
	N/A	N/A	N/A					N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

CITY ENTITIES															
SDBIP REFERENCE	PERFORMANCE REPORTING 2019/2020 FY - ANNUAL PROGRESS REPORT			SDBIP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	BASELINE / STATUS QUO	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL 2019/2020 FY PROGRESS REPORT								ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)						ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
CE 11	100% Safe City ISO 9001 accreditation to be valid and maintained during the 19/20 FY by the 30th of June 2020	100% Safe City ISO 9001 accreditation to be valid and maintained during the 19/20 FY by the 30th of June 2020	3 (100% - 129%)	CE 10	NKPA 6 - CROSS CUTTING	Crime, Bylaw. Sub Station and Monitoring through CCTV Camera	100% Safe City ISO 9001 accreditation to be valid and maintained	To ensure that Safe City maintains its ISO accreditation status at all times by the 30th of June 2020	100% Safe City ISO 9001 accreditation to be valid and maintained during the 20/21 FY by the 30th of June 2021	100% Safe City ISO 9001 accreditation maintained during the 20/21 FY by the 30th of June 2021	3 (100% - 129%)	N/A	N/A	N/A	Valid ISO 9001:2015 accreditation
	N/A	N/A	N/A						N/A	N/A	N/A	N/A	N/A	N/A	N/A
CE 12	Average of 90% of all confirmed reported crime within camera visual area detected by Safe City operators by the 30th of June 2020	Average of 95% of all confirmed reported crime within camera visual area detected by Safe City operators by the 30th of June 2020	3 (100% - 129%)	CE 11	NKPA 6 - CROSS CUTTING	Crime, Bylaw. Sub Station and Monitoring through CCTV Camera	Not more than an average of 10% of all confirmed crime reports within camera visual area missed	To ensure that Safe City operators detect all confirmed reported crime within camera visual area by the 30th of June 2020	Not more than an average of 10% of all confirmed crime reports within camera visual area missed in the 20/21 FY by the 30th of June 2021	96% of all confirmed crime reports within camera visual area detected in the 20/21 FY by the 30th of June 2021	3 (100% - 129%)	N/A	N/A	N/A	Confidential SAPS Daily crime report
	N/A	N/A	N/A						N/A	N/A	N/A	N/A	N/A	N/A	N/A

CITY ENTITIES															
SDBIP REFERENCE	PERFORMANCE REPORTING 2019/2020 FY - ANNUAL PROGRESS REPORT			SDBIP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	BASELINE / STATUS QUO	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL 2019/2020 FY PROGRESS REPORT								ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)						ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
CE 16	100% Provision of forestry management as per the approved Annual plan of operations for the 2019/20 FY by the 30th of June 2020	70% Provision of forestry management as per the approved Annual plan of operations for the 2019/20 FY by the 31st May 2020	2 (70% - 99%)	CE 12	NKPA 3 - LOCAL ECONOMIC DEVELOPMENT	Forestry Management	100% Forestry Management as per Annual Plan of Operations completed	50% Provision of silviculture and harvesting activities	100% Forestry Management as per Annual Plan of Operations completed for the 20/21 FY by the 30th of June 2021	0% Forestry Management as per Annual Plan of Operations completed for the 20/21 FY by the 30th of June 2021 Security Company appointed to guard the asset. No operations taking place	1 (69% & below)	Nil administrative and technical staff at the municipal forest. Nil management company	Total management advert to be prepared and advertised	31-Jul-21	BSC Report and advert
	468453.42	N/A	N/A						474478.86	N/A	N/A	N/A	N/A	N/A	N/A
CE 13	100% Participation of Msunduzi Tourism in 7 events as per the approved Tourism Events Calendar 19/20 FY by the 30th of November 2019 (the PMB Jazz festival, Mandela Marathon, the Tourism Month Celebration	Participated in 7 events as per the approved Tourism Events Calendar 19/20 FY by the 30th of November 2019 (the PMB Jazz festival, Mandela Marathon, the Tourism Month Celebration	NOT APPLICABLE	CE 14	NKPA 3 - LOCAL ECONOMIC DEVELOPMENT	TOURISM SUPPORT PROGRAMME	100% Implementation of the tourism programmes as per Service Level Agreement	NIL	100% Implementation of the tourism programmes as per SLA between the municipality and MPTA for the 20/21 FY by the 30th of June 2021	100% Implementation of the tourism programmes as per SLA between the municipality and MPTA for the 20/21 FY by the 30th of June 2021	3 (100% - 129%)	N/A	NA	NA	Invoices, Pictures, report attendance register where applicable.

CITY ENTITIES															
SDBIP REFERENCE	PERFORMANCE REPORTING 2019/2020 FY - ANNUAL PROGRESS REPORT			SDBIP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	BASELINE / STATUS QUO	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL 2019/2020 FY PROGRESS REPORT								ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)						ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
	Tourism Month Celebration, Duzi 2 Sani Expedition, the Gandhi Peace Walk, Tsogo Sun Amashova and the Edendale Marathon)	, Duzi 2 Sani Expedition, the Tsogo Sun Amashova and the Edendale Marathon) Gandhi Peace Walk event organizers did not submit event sponsorship proposal													
	N/A	N/A	N/A					1500000	N/A	N/A	N/A	N/A	N/A	N/A	
CE 15	2 x Quarterly Msunduzi tourism sector meetings facilitated by the 30th of November 2019	2 x Quarterly Msunduzi tourism sector meetings NOT facilitated by the 30th of November 2019	NOT APPLICABLE	CE 15	NKPA 3 - LOCAL ECONOMIC DEVELOPMENT	Tourism Sector Programme	1 x Msunduzi tourism sector meeting facilitated	Two sector events held	1 x Msunduzi tourism sector meeting facilitated by the 31st of May 2021	1 x Msunduzi tourism sector meeting facilitated by the 31st of May 2021	3 (100% - 129%)	N/A	NA	NA	Meeting Minutes
	N/A	N/A	N/A					R34,670	N/A	N/A	N/A	N/A	N/A	N/A	

CITY ENTITIES															
SDBIP REFERENCE	PERFORMANCE REPORTING 2019/2020 FY - ANNUAL PROGRESS REPORT			SDBIP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	BASELINE / STATUS QUO	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL 2019/2020 FY PROGRESS REPORT								ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)						ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
CE 16	100% Provision of forestry management as per the approved Annual plan of operations for the 2019/20 FY by the 30th of June 2020	70% Provision of forestry management as per the approved Annual plan of operations for the 2019/20 FY by the 31st May 2020	2 (70% - 99%)	CE 16	NKPA 2 - BASIC SERVICE DELIVERY	Airport	3.9 km of Clearvu perimeter fence installed at the Pietermaritzburg Airport	N/A	3.9 km of Clearvu perimeter fence installed at the Pietermaritzburg Airport by the 30th of June 2021	3.9 km of Clearvu perimeter fence installed at the Pietermaritzburg Airport by the 28th February 2021	3 (100% - 129%)	N/A	NA	NA	Closing report and completion certificate.
	468453.42	N/A	N/A						R2,500,000	N/A	N/A	N/A	N/A	N/A	N/A
NA	NA	NA	NA	CE 17	NKPA 3- LOCAL ECONOMIC DEVELOPMENT	TOURISM RESEARCH PROGRAMME IN RESPONSE TO COVID-19	Tourism research programme in response to Covid-19 completed	Findings of the research programme	Tourism research programme in response to Covid-19 completed and submitted to SMC by the 30th of June 2021	Tourism research programme in response to Covid-19 completed submitted to Council by the 30th June 2021	3 (100% - 129%)	N/A	NA	NA	Report to Council
NA	NA	NA	NA						100 000	N/A	N/A	N/A	N/A	N/A	N/A

3. BUDGET AND TREASURY OFFICE

5.1 FINANCIAL PERFORMANCE 2021

ANNEXURE A: PROJECTION OF REVENUE BY EACH SOURCE - BUDGET YEAR 2020 / 2021					
DESCRIPTION	ANNUAL 20/21 FY PROJECTED	ANNUAL 20/21 FY ACTUAL	REASON FOR DEVIATION	CORRECTIVE MEASURE	SOURCE DOCUMENT
Property rates	1,269,795	1,101,756	N/A	N/A	Sec 71
Service charges - electricity revenue	2,584,776	2,105,018	N/A	N/A	Sec 71
Service charges - water revenue	722,633	701,831	N/A	N/A	Sec 71
Service charges - sanitation revenue	152,022	151,795	N/A	N/A	Sec 71
Service charges - refuse revenue	116,333	98,082	N/A	N/A	Sec 71
Rental of facilities and equipment	29,079	12,514	N/A	N/A	Sec 71
Interest earned - external investments	15,260	6,950	N/A	N/A	Sec 71
Interest earned - outstanding debtors	202,458	170,696	N/A	N/A	Sec 71
Fines, penalties and forfeits	1,799	16,524	N/A	N/A	Sec 71
Licenses and permits	1,120	517	N/A	N/A	Sec 71
Agency services	602	1,966	N/A	N/A	Sec 71
Transfers and subsidies	764,481	745,207	N/A	N/A	Sec 71
Other revenue	146,452	58,074	N/A	N/A	Sec 71
Gains	-	-	N/A	N/A	Sec 71
Total Revenue (excluding capital transfers and contributions)	6,006,808	5,170,930			

ANNEXURE B: PROJECTION OF REVENUE COLLECTED BY EACH VOTE - BUDGET YEAR 2020 / 2021					
DESCRIPTION	ANNUAL 20/21 FY PROJECTED	ANNUAL 20/21 FY ACTUAL	REASON FOR DEVIATION	CORRECTIVE MEASURE	SOURCE DOCUMENT
<u>Revenue by Vote</u>					
City Manager	4,448	297	N/A	N/A	Sec 71
City Finance	2,485,132	1,560,192	N/A	N/A	Sec 71
Community Services and Social Equity	214,664	188,323	N/A	N/A	Sec 71
Corporate Services	19,239	5,639	N/A	N/A	Sec 71
Infrastructure Services	3,376,346	3,708,252	N/A	N/A	Sec 71
Sustainable Development and City Enterprises	432,870	116,741	N/A	N/A	Sec 71
TOTAL	6,532,700	5,579,445	N/A	N/A	

ANNEXURE C: PROJECTION OF OPERATIONAL EXPENDITURE BY VOTE - BUDGET YEAR 2020 / 2021					
DESCRIPTION	ANNUAL 20/21 FY PROJECTED	ANNUAL 20/21 FY ACTUAL	REASON FOR DEVIATION	CORRECTIVE MEASURE	SOURCE DOCUMENT
Employee related costs	1,478,324	1,225,851	N/A	N/A	Sec 71
<i>Remuneration of Councillors</i>	53,650	47,610	N/A	N/A	Sec 71
Debt impairment	123,904	91,118	N/A	N/A	Sec 71
Depreciation & asset impairment	482,441	387,457	N/A	N/A	Sec 71
Finance charges	36,505	33,217	N/A	N/A	Sec 71
Bulk purchases	2,608,224	2,359,269	N/A	N/A	Sec 71
Other materials	63,710	48,708	N/A	N/A	Sec 71
Contracted services	491,460	452,081	N/A	N/A	Sec 71
Transfers and grants	58,680	42,783	N/A	N/A	Sec 71
Other expenditure	166,189	131,365	N/A	N/A	Sec 71
Loss on disposal of PPE	—	—			
Total Expenditure	5,563,090	4,819,458			

ANNEXURE D: MONTHLY PROJECTION OF CAPITAL EXPENDITURE BY VOTE - BUDGET YEAR 2020 / 2021					
DESCRIPTION	ANNUAL 20/21 FY PROJECTED	ANNUAL 20/21 FY ACTUAL	REASON FOR DEVIATION	CORRECTIVE MEASURE	SOURCE DOCUMENT
<u>Multi-year expenditure to be appropriated</u>					
City Manager	3,800	-	N/A	N/A	Sec 71
City Finance	28,300	208	N/A	N/A	Sec 71
Community Services and Social Equity	57,512	12,163	N/A	N/A	Sec 71
Corporate Services	-	-	N/A	N/A	Sec 71
Infrastructure Services	221,755	319,203	N/A	N/A	Sec 71
Sustainable Development and City Enterprises	310,624	50,252	N/A	N/A	Sec 71
Total Capital Expenditure	621,991	381,826			

PERFORMANCE MANAGEMENT OF CONTRACTS

The contract management unit reviews and reports on how SCM, service providers and the department as a whole is performing against set standards and metrics, provides insight into how policies are followed, and identifies areas of opportunity to drive value through process efficiencies, and verification of variations requested by user departments. Regular site visits and attending progress meetings, which allows for systematic management of supplier performance and building of work relationships to optimize the value for money in agreed deliverables throughout the project execution. Monthly and quarterly reports are submitted at OMC, SMC and Full Council.

**MSUNDUZI MUNICIPALITY SUPPLY CHAIN MANAGEMENT UNIT – SERVICE PROVIDERS ANNUAL
(2019/2020 FY) MONITORING OF PERFORMANCE**

NB – ACTUAL SCORING DESCRIPTION – (TARGET NOT MET – 1, PARTIALLY MET – 2, TARGET MET - 3, TARGET EXCEEDED – 4, TARGET SIGNIFICANTLY EXCEEDED - 5)

ANNUAL MONITORING OF CONTRACTS 20/21											
CONTRACT NUMBER	CONTRACTORS NAME	CONTRACT VALUE	DESCRIPTION OF CONTRACT	MULTI YEAR CONTRACT (YES / NO)	ANNUAL TARGET 19/20 FY	ACTUAL 19/20 FY	TARGET SCORING	ANNUAL TARGET 20/21 FY	ACTUAL 20/21 FY	TARGET SCORING	COMMENT
SCM 22 of 17/18	MOBILE TELEPHONE NETWORKS PTY LTD(MTN)	RATE BASED	MOBILE TELEPHONE FEE	YES	To provide the municipality with the Mobile Telephone Service fee	Achieved	4	To provide the municipality with the Mobile Telephone Service fee	Achieved	4	The performance of a contractor meets all the contractual requirements of the contract for the project.
SCM 3 S32-2	GROUND WORK PROJECT MANAGEMENT	RATE BASED	APPOINTMENT OF A SERVICE PROVIDER FOR IMPLEMENTATION OF JIKA JOE CRU 1164 UNITS	YES	Construction for both top Structure and Engineering services were targeted to be was R40 805 252.73	Achieved	3	The construction for both the top Structure and Construction of Engineering services were targeted to be was R 66 680202.4	Achieved	5	Phase 1a 10 block consist of 404 Units are Completed and busy with the snagging, the engineering services such as water, storm water and sewer have been completed on phase one A, including a 5mega litre water tank. Horizontal drilling under the N3 has been completed. Electricity installation is underway 100% completion with cable installation.
SCM 10 OF 18/19	EGXENI ENGINEERING T/A UMPISI	R 63 116 883.12	THE CONSTRUCTION OF 5,0 ML RESERVOIR 10A AND ASSOCIATED PUMPSTATION IN WARD 7 AND UPGRADE OF WATER RETICULATION WITHIN WARD 39, VULINDLELA	YES	100% completion of Reinforcement for the first lift by 30 June 2019	Not Achieved	1	Pump station and Telemetry works to commence by 30 June 2020	Achieved	4	RM is 100% complete , Outlet is 85% complete and drilling is 100% complete.

ANNUAL MONITORING OF CONTRACTS 20/21											
CONTRACT NUMBER	CONTRACTORS NAME	CONTRACT VALUE	DESCRIPTION OF CONTRACT	MULTI YEAR CONTRACT (YES / NO)	ANNUAL TARGET 19/20 FY	ACTUAL 19/20 FY	TARGET SCORING	ANNUAL TARGET 20/21 FY	ACTUAL 20/21 FY	TARGET SCORING	COMMENT
SCM 45 OF 16/17	DYNAMIC DASHING SOLUTION	R 5,210 324.00	CALL FOR PROPOSAL TO COMPLETE A GRAP COMPLAIANT FIXED ASSET REGISTER UNBUNDLING OF INFRASTRUCTURE ASSETS, CONDITION ASSESSMENT AND VALUATION OF ASSETS FOR THE MSUNDUZI MUNICIPALITY	YES	The service provider needed to do the following: 1. Verification of all moveable assets. 2. Conditional assessment of all assets. 3. Valuation of Investment Properties. 4. Verification of land assets.	Achieved	4	The service provider needed to do the following: 1. Verification of all moveable assets. 2. Conditional assessment of all assets. 3. Valuation of Investment Properties. 4. Verification of land assets.	Achieved	4	As per the deliverables of the contract .the progress made by the consultant has been good thus far
SCM 40 of 16/17	DATA CENTRIC PTY LTD	RATE BASED	APPOINTMENT OF SERVICE PROVIDER FOR THE SERVERS, BACKUP AND STORAGE HARDWARE	YES	THE SERVERS, BACKUP AND STORAGE HARDWARE	Achieved	N/A	N/A	Achieved	N/A	The consultant meet all the contractual deliverables of the contract.
SCM 14 OF 18/18	DR KAUFFMAN AND PARTNERS	RATE BASED	PROVISION OF X RAY FOR SCREENING OF MSUNDUZI MUNICIPALITY EMPLOYEES	YES	PROVISION OF X RAY FOR SCREENING OF MSUNDUZI MUNICIPALITY EMPLOYEES	Achieved	N/A	N/A	Achieved	4	The Service provider meet all the contractual deliverables of the contract. The expenditure to date if R20 816.37 and 42 Employees had been screened since the beginning of the year.

ANNUAL MONITORING OF CONTRACTS 20/21											
CONTRACT NUMBER	CONTRACTORS NAME	CONTRACT VALUE	DESCRIPTION OF CONTRACT	MULTI YEAR CONTRACT (YES / NO)	ANNUAL TARGET 19/20 FY	ACTUAL 19/20 FY	TARGET SCORING	ANNUAL TARGET 20/21 FY	ACTUAL 20/21 FY	TARGET SCORING	COMMENT
SCM 03 OF 18/19	DALEKA TRADING ENTERPRISE	RATE BASED	SUPPLY, INSTALLATION AND MAINTENANCE OF GUARDRAILS AND HANDRAILS FOR BRIDGES WITH PIETERMARI TZBURG	YES	SUPPLY, INSTALLATION AND MAINTENANCE OF GUARDRAILS AND HANDRAILS FOR BRIDGES WITH PIETERMARI TZBURG	Achieved	N/A	N/A	Achieved	4	The contractor meets all the contractual deliverables of the contract. To date the contractor has install guardrails on the following roads Eastwood, Thembalihle, Glenwood, Thamboville
SCM 03 OF 18/19	KAY KAPAKAN SERVICES	RATE BASED	SUPPLY, INSTALLATION AND MAINTENANCE OF GUARDRAILS AND HANDRAILS FOR BRIDGES WITH PIETERMARI TZBURG	YES	SUPPLY, INSTALLATION AND MAINTENANCE OF GUARDRAILS AND HANDRAILS FOR BRIDGES WITH PIETERMARI TZBURG	Achieved	N/A	N/A	Achieved	4	The contractor meets all the contractual deliverables of the contract. To date the contractor has install guardrails on the following roads Imbali unit BB,
SCM 47 OF 16/17	EMZANSI ENGINEERS		PROVISION OF ADHOC PROFESSIONAL ENGINEERING AND ALLIED SERVICES FOR NON REVENUE WATER REDUCTION VULINDLELA WATER SUPPLY	YES	N/A	Achieved	N/A	N/A	Achieved	4	The consultant have been appointed to undertake studies, investigation and provide recommendations on intervention to be taken to reduce non-revenue water within Msunduzi Municipality jurisdiction. • Currently the consultant is doing the pressure zone modelling of reservoir supply zones 8,17,18 • To date the Consultant still

ANNUAL MONITORING OF CONTRACTS 20/21											
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											meet all the contractual requirements of the contract
SS4 of 2016	Amalande Construction	R 10,000,000.00	Section A- Supply and Delivery of New Tyre Repairing and Retreading of Tyres	yes	The contract is and when required contract	The contract is and when required contract	N/A	The contract is and when required contract	Achieved	4	the performance of the service provider is satisfactory
SS4 of 2016	Amalande Construction	R 2,008,000.00	Section B- Management Of The Msunduzi Municipality's Tyre Fleet	yes	The contract is and when required contract	The contract is and when required contract	N/A	The contract is and when required contract	Achieved	4	the performance of the service provider is satisfactory
E38 of 2017	thando's electrical	R 1,640,400.16	Replace Lamps and Luminaires, Repair and Maintain Lighting Installations	yes	The contract is and when required contract	The contract is and when required contract	5	The contract is and when required contract	Achieved	4	The performance of the contractor is satisfactory
E38 of 2017	Mzungezwa Projects CC	R 1,514,761.13	The Replacement of Lamps and Luminaires Maintenance of Outdoor Lighting Installation	yes	The contract is and when required contract	The contract is and when required contract	4	The contract is and when required contract	Achieved	4	The performance of the contractor is satisfactory

ANNUAL MONITORING OF CONTRACTS 20/21											
CONTRACT NUMBER	CONTRACTORS NAME	CONTRACT VALUE	DESCRIPTION OF CONTRACT	MULTI YEAR CONTRACT (YES / NO)	ANNUAL TARGET 19/20 FY	ACTUAL 19/20 FY	TARGET SCORING	ANNUAL TARGET 20/21 FY	ACTUAL 20/21 FY	TARGET SCORING	COMMENT
SCM10of18 /19	Egxeni Engineering	R 54,884,246.19	Vulindlela Res.12 Bulk water supply proj	yes	100% completion of Reinforcement for the first lift by 30 June 2019	Not Achieved	1	Pump station and Telemetry works to commence by 30 June 2020	Achieved	4	Installation of approximately 600m of 160mm (30%) diameter inlet rising main, 600m of 250mm (30%) diameter outlet gravity main and 1400m of 160mm 11(0%) diameter uPVC Class 16 water reticulation mains. The supply of all materials for the construction of a new 5.0 ML Reservoir (100%) and the installation of all associated specified valves, pipes and meters (30%). Construction of new palisade fence with vehicular access gate (30%). Construction of the new Telemetry Signal house (10%). All electrical work as detailed and scheduled (20%). Overall Progress (95%)
SCM47of16 /17	Joat Consulting (Pty) Ltd	R 13,291,087.03	Reduction of Non Water Revenue in the Msunduzi Mun Phase 2	yes	Adhoc contract	Adhoc contract	4	Reduction of Non Water Revenue in the Msunduzi Mun Phase 2	Achieved	4	The performance of the consultants is satisfactory
SCM47of16 /17	Kamawewe Development Consultants CC	R 4,116,008.00	Vulindlela Res.12 Bulk water supply projWARD 3	yes	Adhoc contract	Adhoc contract	1	Vulindlela Res.12 Bulk water supply projWARD 3	Achieved	4	The performance of the consultants is satisfactory

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SCM47of16 /17	Emzansi Engineers	R 1,204,892.49	Rehab Willowfontein Pump StationMechanical and Electrical	yes	Adhoc contract	Adhoc contract	N/A	Rehab Willowfontein Pump StationMechanical and Electrical	Achieved	4	The performance of the consultants is satisfactory
SCM47-16/17	Emzansi Engineers	R 1,819,417.36	Professional Civil Engineering Services for Msunduzi River Pipe Bridge	yes	Adhoc contract	Adhoc contract	N/A	Professional Civil Engineering Services for Msunduzi River Pipe Bridge	Achieved	4	The performance of the consultants is satisfactory
SCM47-16/17	Bigen Africa Services Ptyltd	R 499,895.00	Master Plan for Willofontein and SurroundWard 14	yes	Adhoc contract	Adhoc contract	N/A	Master Plan for Willofontein and SurroundWard 14	Achieved	4	The performance of the consultants is satisfactory
SS4 of 2019	Amalande Construction	R 1,000,000.00	Section A-Supply and Delivery of New Tyr Repairing and Retreading of Tyres	yes	Adhoc contract	Adhoc contract	N/A	Adhoc contract	Achieved	4	The performance of the contractor is satisfactory
SS56 of2019	Ubhaqa Air Conditioning	R 2,000,000.00	Supply, delivery and maintenance of conditioning	yes	To repair and service the Refrigerator at Msunduzi market	To repair and service the Refrigerator at Msunduzi market	N/A	To repair and service the Refrigerator at Msunduzi market	Achieved	4	The Service provider meet all the contractual deliverables of the contract
SCM 54-18/19	Dynamic Dashing Solution	R 3,116,115.00	Panel of Financial Consultant	yes	The consultant is assisting with the preparation of 2020/21 budget	The consultant is assisting with the preparation of 20/21 budget	N/A	The consultant is assisting with the preparation of 2020/21 budget	Achieved	4	The consultant is assisting with the preparation of 2020/21 budget. The consultant meet all the contractual requirement of the contract.

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CONTRACT NUMBER	CONTRACTORS NAME	CONTRACT VALUE	DESCRIPTION OF CONTRACT	MULTI YEAR CONTRACT (YES / NO)	ANNUAL TARGET 19/20 FY	ACTUAL 19/20 FY	TARGET SCORING	ANNUAL TARGET 20/21 FY	ACTUAL 20/21 FY	TARGET SCORING	COMMENT
SCM 54-18/19	Bonakude Consulting (Pty)Ltd	R 2,000,000.00	Panel of Financial Consultant	YES	No work has been given to the consultant	N/A	N/A	No work has been given to the consultant	Achieved	4	No work has been given to the consultant
SCM54-18/19	Altimax Training Academy Pty Ltd	R 2,000,000.00	Panel of Financial Consultant	yes	No work has been given to the consultant	N/A	N/A	No work has been given to the consultant	Achieved	4	No work has been given to the consultant
SCM54-18/19	POOVEN CHETTY AND ASSOCIATES	R 2,000,000.00	Panel of Financial Consultant	yes	No work has been given to the consultant	N/A	N/A	No work has been given to the consultant	Achieved	4	No work has been given to the consultant
SS 72 OF 2019	HIGLEN CONSTRUCTION	R 300,437.50	A Panel of contractors for supply and services section 1-3 building repairs and Refurbishment, alterations and New works	yes	N/A	N/A	N/A	The contractor has completed the fencing at Table Mountain Ori Site	Achieved	4	The contractor has completed the fencing at Table Mountain Ori Site
SS 72 OF 2019	Gab and kK Construction	R2,166,995.12	A Panel of contractors for supply and services section 1-3 building repairs and Refurbishment, alterations and New works	YES	N/A	N/A	N/A	The Contractor has completed the repairs and maintenance to electricity department Building and DouL road depot	Achieved	4	The Contractor has completed the repairs and maintenance to electricity department Building and DouL road depot
SS 72 OF 2019	Intubayoluntu	R 2,035,740.60	A Panel of contractors for supply and services section 1-3 building repairs and Refurbishment, alterations and New works	YES	N/A	N/A	N/A	Supply and Installation of Fencing at Ethemebni Cemetery. The contractor is 75% Complete with the palisade and 20%.	Achieved	4	Supply and Installation of Fencing at Ethemebni Cemetery. The contractor is 75% Complete with the palisade and 20%.
SS 72 OF 2019	Dilmar Investments	R 1,564.89	A Panel of contractors for supply and services section 1-3 building repairs and Refurbishment,	YES	N/A	N/A	N/A	Renovations at Old Magistrate Court. The contractor has successfully	Achieved	4	Renovations at Old Magistrate Court. The contractor has successfully completed the project.

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			alterations and New works					completed the project.			
SS 72 OF 2019	Dilmar Investments	R 53,809.90	A Panel of contractors for supply and services section 1-3 building repairs and Refurbishment, alterations and New works	YES	N/A	N/A	N/A	repairs and maintenance at Freedom square ablutions and refurbishments. The contractor has successfully completed the project.	Achieved	N/A	repairs and maintenance at Freedom square ablutions and refurbishments. The contractor has successfully completed the project.
SS 72 OF 2019	Dilmar Investments	R 168,039.88	A Panel of contractors for supply and services section 1-3 building repairs and Refurbishment, alterations and New works	YES	N/A	N/A	N/A	fencing at Ashdown stadium the contract is on Hold due to expenditure not being approved by the City Manager.	Achieved		fencing at Ashdown stadium the contract is on Hold due to expenditure not being approved by the City Manager.
SS 72 OF 2019	Dilmar Investments	R 90,867.32	A Panel of contractors for supply and services section 1-3 building repairs and Refurbishment, alterations and New works	YES	N/A	N/A	N/A	Repairs at Link RD AND Ritchie rd garden sites sewer line and gate. The Contractor has successfully completed the project.	Achieved		Repairs at Link RD AND Ritchie rd garden sites sewer line and gate. The Contractor has successfully completed the project.
SS 72 OF 2019	Dilmar Investments	R 25,655.32	A Panel of contractors for supply and services section 1-3 building repairs and Refurbishment, alterations and New works	YES	N/A	N/A	N/A	Repairs at 2ND Floor A.S Chetty Kitchen the contractor is currently on site and the project is 60% complete	Achieved	4	Repairs at 2ND Floor A.S Chetty Kitchen the contractor is currently on site and the project is 60% complete

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SS 72 OF 2019	Mza Building Contractors	R 90,604.50	A Panel of contractors for supply and services section 1-3 building repairs and Refurbishment, alterations and New works	YES	N/A	N/A	N/A	Repairs at Brookside taxi rank the contractor has successfully completed the project.	Achieved	4	Repairs at Brookside taxi rank the contractor has successfully completed the project.
SS 72 OF 2019	Mza Building Contractors	R 2,800.00	A Panel of contractors for supply and services section 1-3 building repairs and Refurbishment, alterations and New works	YES	N/A	N/A	N/A	Repair on Doors at Mkondeni Market the contractor has successfully completed the project	Achieved	4	Repair on Doors at Mkondeni Market the contractor has successfully completed the project
SS 72 OF 2019	Mza Building Contractors	R 21,808.20	A Panel of contractors for supply and services section 1-3 building repairs and Refurbishment, alterations and New works	YES	N/A	N/A	N/A	Repair on Doors at Washington. The contractor has successfully completed the project.	Achieved	4	Repair on Doors at Washington. The contractor has successfully completed the project.
SS 72 OF 2019	Mza Building Contractors	R 10,279.14	A Panel of contractors for supply and services section 1-3 building repairs and Refurbishment, alterations and New works	YES	N/A	N/A	N/A	Repairs at ABM Edendale Offices. The contractor has successfully completed the project.	Achieved	4	Repairs at ABM Edendale Offices. The contractor has successfully completed the project.
SS 72 OF 2019	Mza Building Contractors	R 147,645.62	A Panel of contractors for supply and services section 1-3 building repairs and Refurbishment, alterations and New works	YES	N/A	N/A	N/A	Repairs at Parks the Contractors has been awarded but hasn't started with works due to financial year end closure to	Achieved	4	Repairs at Parks the Contractors has been awarded but hasn't started with works due to financial year end closure to create PR's and PO's

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								create PR's and PO's			
SS 72 OF 2019	Gingordin Methods	R 30,743.00	A Panel of contractors for supply and services section 1-3 building repairs and Refurbishment, alterations and New works	YES	N/A	N/A	N/A	Repairs at Cncls Office Ward 24. the project has been completed	Achieved	4	Repairs at Cncls Office Ward 24. the project has been completed
SS 72 OF 2019	Gingordin Methods	R 77,309.30	A Panel of contractors for supply and services section 1-3 building repairs and Refurbishment, alterations and New works	YES	N/A	N/A	N/A	Repairs at Cncls Office Ward 25. the project has been completed.	Achieved	4	Repairs at Councillors Office Ward 25. the project has been completed.
SS 72 OF 2019	Gingordin Methods	R 103,998.52	A Panel of contractors for supply and services section 1-3 building repairs and Refurbishment, alterations and New works	YES	N/A	N/A	N/A	Repairs at Washington. The project has been completed.	Achieved	4	Repairs at Washington. The project has been completed.
SS 72 OF 2019	Gingordin Methods	R 223,119.21	A Panel of contractors for supply and services section 1-3 building repairs and Refurbishment, alterations and New works	YES	N/A	N/A	N/A	Refurbishment of Copesville Hall. The project has been completed.	Achieved	4	Refurbishment of Copesville Hall. The project has been completed.
SS 72 OF 2019	Olympus	R 253,336.80	Repairs at ward 22 Offices	YES	N/A	N/A	N/A	Repairs at ward 22 Offices	Achieved	4	Repairs at ward 22 Offices. The project has been completed
SS 72 OF 2019	Olympus	R 91,108.80	South and Richies Gardens	YES	N/A	N/A	N/A	South and Richies Gardens	Achieved	4	South and Richies Gardens the project has been completed

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SS 72 OF 2019	Olympus	R 43,402.00	Repairs at ward 25Cncl Offices	YES	N/A	N/A	N/A	Repairs at ward 25Cncl Offices	Achieved	4	Repairs at ward 25Council Offices. The project has been completed
SS 72 OF 2019	Olympus	R 193,130.80	Repairs at Gevdi	YES	N/A	N/A	N/A	Repairs at Gevdi	Achieved	4	Repairs at Gevdi. The project has been completed
SS 72 OF 2019	Olympus	R 262,516.75	Repairs at SCM AS Chetty	YES	N/A	N/A	N/A	Repairs at SCM AS Chetty	Achieved	4	Repairs at SCM AS Chetty. The project has been completed
SS80 of 2017	Ilungelo Construction CC	RATE BASED	Supply and Delivery Stationery, Tools, Detergents	YES	Supply and Delivery Stationery, Tools, Detergents	Achieved	n/a	Supply and Delivery Stationery, Tools, Detergents	Achieved	4	1.Contract expired new contractors on adjudication process 2. Stock take in place
SS80 of 2017	Ricky's Electrical CC	RATE BASED	Supply and Delivery Stationery, Tools, Detergents	YES	Supply and Delivery Stationery, Tools, Detergents	Achieved	n/a	Supply and Delivery Stationery, Tools, Detergents	Achieved	5	1.Contract expired new contractors on adjudication process 2. Stock take in place
SS80 of 2017	Kushj Traders CC	RATE BASED	Supply and Delivery of cleaning	YES	Supply and Delivery of cleaning	Achieved	n/a	Supply and Delivery of cleaning	Achieved	5	1.Contract expired new contractors on adjudication process 2. Stock take in place
SS80 of 2017	Citigas t/a	RATE BASED	Supply and Delivery of stationery, tools, detergents	YES	Supply and Delivery Stationery, Tools, Detergents	Achieved	n/a	Supply and Delivery of stationery, tools, detergents	Achieved	5	1.Contract expired new contractors on adjudication process 2. Stock take in place
SS80 of 2017	Olympus Enterprise Pty Ltd	RATE BASED	Supply and Delivery of stationery, tools, detergents	YES	Supply and Delivery Stationery, Tools, Detergents	Achieved	n/a	Supply and Delivery of stationery, tools, detergents	Achieved	4	1.Contract expired new contractors on adjudication process 2. Stock take in place
SS80 of 2017	Bellbushia Supplying Services	RATE BASED	Supply and Delivery of stationery, tools, detergents	YES	Supply and Delivery of stationery, tools, detergents	Achieved	n/a	Supply and Delivery of stationery, tools, detergents	Achieved	1	1.Contract expired new contractors on adjudication process 2. Stock take in place

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SS80 of 2018	Pro-phalt	RATE BASED	Potholes repairs	YES	Potholes repairs	Achieved	n/a	Potholes repairs	Achieved	5	No job has been done the whole month , business unite hasn't issued any order
SCM 56 of 17/18	DDP Valuation Advisory Services (Pty)Ltd	RATE BASED	Request for proposal for a panel of values for Assets, Including land and building to do AD-HOC valuations for the Msunduzi Municipality	YES	Request for proposal for a panel of values for Assets, Including land and building to do AD-HOC valuations for the Msunduzi Municipality	Achieved	5	Request for proposal for a panel of values for Assets, Including land and building to do AD-HOC valuations for the Msunduzi Municipality	Achieved	5	Business unit satisfied with deliveries
SCM 56 of 17/18	Mills Fitchet (Natal) (Pty)Ltd	RATE BASED	Request for proposal for a panel of values for Assets, Including land and building to do AD-HOC valuations for the Msunduzi Municipality	YES	Request for proposal for a panel of values for Assets, Including land and building to do AD-HOC valuations for the Msunduzi Municipality	Achieved	5	Request for proposal for a panel of values for Assets, Including land and building to do AD-HOC valuations for the Msunduzi Municipality	Achieved	5	Business unit satisfied with deliveries
SCM 56 of 17/18	Rosper & Associates	RATE BASED	Request for proposal for a panel of values for Assets, Including land and building to do AD-HOC valuations for the Msunduzi Municipality	YES	Request for proposal for a panel of values for Assets, Including land and building to do AD-HOC valuations for the Msunduzi Municipality	Achieved	5	Request for proposal for a panel of values for Assets, Including land and building to do AD-HOC valuations for the Msunduzi Municipality	Achieved	5	Business unit satisfied with deliveries

ANNUAL MONITORING OF CONTRACTS 20/21											
CONTRACT NUMBER	CONTRACTORS NAME	CONTRACT VALUE	DESCRIPTION OF CONTRACT	MULTI YEAR CONTRACT (YES / NO)	ANNUAL TARGET 19/20 FY	ACTUAL 19/20 FY	TARGET SCORING	ANNUAL TARGET 20/21 FY	ACTUAL 20/21 FY	TARGET SCORING	COMMENT
SCM 56 of 17/18	DDP Valuation and Advisory Services (Pty)Ltd	RATE BASED	Request for proposal for a panel of values for Assets, Including land and building to do AD-HOC valuations for the Msunduzi Municipality	YES	Request for proposal for a panel of values for Assets, Including land and building to do AD-HOC valuations for the Msunduzi Municipality	Achieved	5	Request for proposal for a panel of values for Assets, Including land and building to do AD-HOC valuations for the Msunduzi Municipality	Achieved	5	Business unit satisfied with deliveries
SCM 6 of 19/20	Hnanhe Trading	R 33,976,372.5 8	Construction waterborne sanitation system within ward 16,Edendele unit H, Pietermaritzburg (CIDB Grade7CE)	YES	Construction waterborne sanitation system within ward 16,Edendele unit H, Pietermaritzburg (CIDB Grade7CE)	Achieved	5	Construction waterborne sanitation system within ward 16,Edendele unit H, Pietermaritzburg (CIDB Grade7CE)	IN PROCESS	IN PROCESS	Completed job MH388-MH393, MH443-MH456, MH456-MH457, MH461-MH462, MH462-MH463, MH463-MH464, MH2 to MH1, MH14 to MH13 and MH471-472, MH467-MH468, MH468-MH469, MH469-MH470a, MH470a-MH470, MH492-MH491 and MH463-

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SCM 45 OF 18/19	SIBUSISO PROJECTS	R 5,645,559.30	ERADICATION OF MID-BLOCK WATER SERVICES IN MSUNDUZI WARD 19 (PHASE II)	NO	10 MONTHS	0 MONTHS	1-NOT MET	10 MONTHS	IN PROCESS	IN PROCESS	The Contractor is experiencing problems communicating with the Msunduzi maintenance people to shut down water to work on tie-in points. We were not even aware that shutdown is not done on Mondays and Fridays due to poor communication. Yesterday the maintenance representatives failed to shut down the water where we were currently working, seems like the test was not done initially. Unfortunately, we have to wait until they figured out how to shut down water and this is delaying the Contractor's daily targets and progress on site.
SCM 26 OF 16/17	Egxeni Engineers	R 85 245 662.09	upgrade of Moses Mabhida Road from KM 7.5 to KM 8.8	yes	to complete 50%	not achieved	1	to complete the project	not achieved	1	the contractor was expected to achieve practical completion by 31 March 2021. but due to the change of the design for the headwall the report for extension of time to end of September 2021 has been

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											submitted to BAC Progress on site is at 92% complete.
SCM 27 OF 16/17	Lonerock-Afriscan	R 180 369 999.99	Upgrade of Moses Mabhida Road from KM 8.8 to KM 10.3	yes	to complete 50% of project	achieved	3	to complete the project	achieved	3	the contractor has achieved practical completion on site. There are currently busy with the Snug list. The site handover to the Municipality was held on the 11 February 2021. and the contractor was requested to attend to the snug list. And is currently busy with the snug including commissioning the traffic light
SCM 35 of 17/18	Ingabadi Midia Group	R 198 00 per month	Provision of Communication services to the Msunduzi Municipality	yes	to publish 12 copies of Msunduzi News	not achieved	2	to publish 12 copies of Msunduzi News	not achieved	2	the service provider has been requested to also publish zone publication in order to make new relevant to specific wards. The service provider is claiming that the Municipality still owes it 25 publications as per the contract. The contract will expire at the end of July 2021. the service provider has asked the Municipality to extend the contract in order to fulfill the 25

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											publication that is owed to it. the user department has no intention of extending the contract. the notice for termination of contract has been sent to the service provider.
SCM 68 of 17/18	G-E-N Construction	R 5 598 705.51	Construction of water infrastructure in Greater Edendale	no	to complete the project	not achieved	1	to complete the project	not achieved	1	The letter for intention to cancel the contract has been issued to the contractor giving the contract 14 days to remedy the breach of contract. After the contractor failed to remedy the breach the Municipality had taken a decision to cancel the contract permanently. the contractor has not responded to the letter of termination of contract. now the Municipality has to take further action to recover cost or damages suffered.
SCM 55 OF 2017	Sinothando Construction CC	R10 500 706.00	GRAVEL ROADS IN WARD 1	yes	to complete 40% of project	achieved	3	to complete the project	Achieved	3	The contractor's performance was satisfactory. The project is completed.
SCM 55 OF 2017	Sinothando Construction CC	R 1 276 252.24	REHAB IMBALI UNIT 14 - WARD 18	no	n/a	n/a	n/a	to complete the project	achieved	3	the contractor's performance was satisfactory. The project is completed.

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SCM 55 OF 2017	Sinothando Construction CC	R4 385 049.00	Upgrading of Tshaka road construction	no	n/a	n/a	n/a	to complete the project	achieved	3	the contractor's performance was satisfactory. The project is completed.
SCM 55 OF 2017	Sinothando Construction CC	R 1,999,112.12	Ward 13 - Slungspruit_ Makarina Road	no	n/a	n/a	n/a	to complete the project	achieved	3	the contractor's performance was satisfactory. The project is completed.
SCM 55 OF 2017	Sinothando Construction CC	7 ,107,784.00	Upgrading of Mkhize RD Ward 04	yes	to complete 60% of project	achieved	3	to complete the project	to be achieved	3	the contractor's performance was satisfactory. The project is completed.
SCM 55 OF 2018	Sinothando Construction CC	R 15 000 000.00	upgrade of New Greytown Road.	yes	to complete 50% of project	achieved	3	to complete the project in 21/22	to be achieved	3	the contractor is currently on site performance is satisfactory
SCM 55 OF 2019	Sinothando Construction CC	R 5 717 085.85	upgrade of Ndlovu road (Tstaka road)	yes	to complete the project in 20/21	achieved	3	to complete the project	to be achieved	3	the contractor is currently on site performance is satisfactory
SCM 55 OF 2020	Sinothando Construction CC	R 7 338 026.29	upgrade of Gravel road in Vulindlela ward 8 L764 (Masoyi Road Phase 1	no	to complete the project in 20/21	achieved	3	to complete the project	to be achieved	3	the contractor's performance is satisfactory
SCM 55 OF 2021	Sinothando Construction CC	R 1 542 122.00	REHAB IMBALI UNIT 14 - WARD 18	no	to be completed in 20/21	achieved	3	to complete the project	achieved	3	the contractors performance is satisfactory
SCM 55 OF 2021	Sinothando Construction CC	R 5 808 564.11	Rehabilitation of gravel road in France ward 13 Eplazini Road	yes	to complete the project in 20/21	not achieved	2	to complete the project	not achieved	2	the contractors performance is satisfactory
SCM 55 OF 2022	Sinothando Construction CC	R 4 351 684.26	maintenance of Chasevally road from intersection to Corner Road	no	n/a	n/a	n/a	to complete the project	achieved	3	the contractor's performance was satisfactory. Project has been completed.
SCM 55 OF 2017	Sinothando Construction CC	R 345 584.69	Upgrading of BB5 RD Ward 17	no	n/a	an/a	n/a	to complete the project	achieved	3	the contractors performance was satisfactory

ANNUAL MONITORING OF CONTRACTS 20/21											
CONTRACT NUMBER	CONTRACTORS NAME	CONTRACT VALUE	DESCRIPTION OF CONTRACT	MULTI YEAR CONTRACT (YES / NO)	ANNUAL TARGET 19/20 FY	ACTUAL 19/20 FY	TARGET SCORING	ANNUAL TARGET 20/21 FY	ACTUAL 20/21 FY	TARGET SCORING	COMMENT
SCM 55 OF 2017	High End General And Construction	R 15 651 915	UPGRADING OF GRAVEL ROADS IN VULINDLELA	yes	to complete the project in 20/21	achieved	2	to complete the project	achieved	3	the contractors performance is satisfactory
SCM 55 OF 2017	High End General And Construction	R3 465 601.00	Newtown Rd Sinathing Sect 1	no	to complete the project	achieved	3	n/a	n/a	n/a	the contractor's performance was satisfactory. The project has been completed
SCM 55 OF 2018	High End General And Construction	R 1 628 953.68	construction of a 400MMX 3M Concrete road	no	n/a	n/a	n/a	to complete the project	achieved	3	the contractor's performance was satisfactory. The project has been completed
SCM 55 OF 2019	High End General And Construction	R 947 134.25	repairs of the road to Willow Clinic ward 14	no	n/a	n/a	n/a	to complete the project	achieved	3	the contractor's performance was satisfactory. The project has been completed
SCM 55 OF 2020	High End General And Construction	R 947 134.25	repairs of the road to Kwatomu ward 14	no	n/a	n/a	n/a	to complete the project	achieved	3	the contractor's performance was satisfactory. The project has been completed
SCM 55 OF 2021	High End General And Construction	R 3 919 511.36	upgrade of 0.26km Mpompini Road (Phase 2) ward 11 Sinathingi	no	n/a	n/a	n/a	to complete the project	achieved	3	the contractor's performance is satisfactory
SCM 55 OF 2022	High End General And Construction	R 2 649 957.25	emergency concrete and paving reinstatement and surface repairs within CBD, Northern and Edendale areas	no	n/a	n/a	n/a	to complete the project	achieved	3	Contractor's performance on site is satisfactory. However, there has been some disagreement about the rates but the issue has been resolved. Project has been completed.
SCM 55 OF 2022	High End General And Construction	R 6 123 615.16	upgrade of shepstone Ambleton Concrete road I ward 17	no	n/a	n/a	n/a	to complete the project	achieved	3	the contractor's performance is satisfactory

ANNUAL MONITORING OF CONTRACTS 20/21											
CONTRACT NUMBER	CONTRACTORS NAME	CONTRACT VALUE	DESCRIPTION OF CONTRACT	MULTI YEAR CONTRACT (YES / NO)	ANNUAL TARGET 19/20 FY	ACTUAL 19/20 FY	TARGET SCORING	ANNUAL TARGET 20/21 FY	ACTUAL 20/21 FY	TARGET SCORING	COMMENT
SCM 55 OF 2017	High End General And Construction	R 6 511 518.41	MPOMPI RD UPGRADING 1.0KM	no	to complete the project in 20/21	achieved	3	to complete the project	achieved	3	the contractor's performance is satisfactory
SCM 55 OF 2017	MANDLETHUDAL EKA JV	R 504,915.00	CONSTRUCTION OF SIDEWALKS IN BISHOPSTOWE	no	to complete the project	not achieved	1	n/a	n/a	n/a	contract was suspended due to non-performance by the contractor.
SCM 55 OF 2017	MANDLETHUDAL EKA JV	R 11 612 370.00	UPGRADE OF GRAVEL ROAD D2069	no	to complete the project	not achieved	1	to complete the project	not achieved	1	contractor's performance on site is slow.
SCM 55 OF 2017	MANDLETHUDAL EKA JV	R 13 200 00.00	UPGRADE OF GRAVEL ROAD WARD3	no	to complete the project	not achieved	1	to complete the project	achieved	1	contractor's performance on site is slow.
SCM 55 OF 2017	MANDLETHUDAL EKA JV	R 4,256,838.94	Harewood	no	to complete the project	achieved	2	n/a	n/a	n/a	the Project has been completed
SCM 62R of 17/18	Leomat Construction Pty Ltd	R 101 093 814.29	upgrade of Moses Mabhida Road from KM 6.5 to KM 7.5	yes	to complete the project in 2022	achieved	3	to complete the project in 2022	achieved	3	current progress on site is 47%.the Contractor is behind schedule by 4 to 5 weeks.
SCM 27 OF 19/20	XB CONSTRUCTION	R 6 873 768.50	APPOINTMENT OF YOUTH ENTERPRISE BUILDING CONTRACTOR	yes	to complete the project in 2021	achieved	2	to complete the project	achieved	2	contractors performance on site is satisfactory
SCM 7 OF 19/20	UDUMO TRADING	R 44 166 625.50	CONSTRUCTION OF OUTFALL SEWER WITHIN WARD 11 EDENDALE	n/a	n/a	n/a	n/a	to complete the project in 2022	achieved	3	Contractor is currently on site performance is satisfactory
SS76R of 2020	Dusi Electrical CC	Rate Based	New Installation, maintenance and refurbishment of uninterrupted power systems in municipal facilities	Yes	contract awarded 20/21	contract awarded 20/21	contract awarded 20/21	Installation and maintenance of UPS in municipal facilities	n/a	New contract	Contract awarded in May 2021. No performance issues have been reported by the business unit.

ANNUAL MONITORING OF CONTRACTS 20/21											
CONTRACT NUMBER	CONTRACTORS NAME	CONTRACT VALUE	DESCRIPTION OF CONTRACT	MULTI YEAR CONTRACT (YES / NO)	ANNUAL TARGET 19/20 FY	ACTUAL 19/20 FY	TARGET SCORING	ANNUAL TARGET 20/21 FY	ACTUAL 20/21 FY	TARGET SCORING	COMMENT
SS 29 of 2020 (Section A)	Ubhaqa Air Conditioning	Rate Based	Installation, maintenance and refurbishment to mechanical equipment for council CBD	Yes	contract awarded 20/21	contract awarded 20/21	contract awarded 20/21	Installation and maintenance of mechanical equipment	Not achieved performance issues from business unit	1	No new performance issue reported by the business unit.
SS 29 of 2020 (Section B)	Intathakusa Projects 11/07 Pty Ltd	Rate Based	Installation, maintenance and refurbishment to mechanical equipment for council-Northern Areas	Yes	contract awarded 20/21	contract awarded 20/21	contract awarded 20/21	Installation and maintenance of mechanical equipment	Achieved	No reports	No performance issues were reported by the business unit.
SS 29 of 2020 (Section C)	Intathakusa Projects 11/07 Pty Ltd	Rate Based	Installation, maintenance and refurbishment to mechanical equipment for council-Vulindlela areas	Yes	contract awarded 20/21	contract awarded 20/21	contract awarded 20/21	Installation and maintenance of mechanical equipment	Achieved	3	No performance issues were reported by the business unit.
SS70-2019	Njubisa Group Pty Ltd	Rate Based	Repairs And Maintain Fountains And Irrigation Systems Within the Municipal	Yes	contract awarded 20/21	contract awarded 20/21	contract awarded 20/21	Maintain fountains and systems	Achieved	3	No performance issues reported by the business unit.
SLA-KONE ELE	Kone Elevators Sa (Pty)Ltd	R 3,768,622.09	Maintenance And Repair Of Service Lifts InLibrary, City Hall And Harry Gwala	Yes	Repair and maintain lifts at appointed site	Achieved	3	Repair and maintain lifts at appointed site	Achieved	3	Service level agreement in place for 3 years. No maintenance issues received from the business unit. Invoicing issues have since been resolved with the business unit. No further performance issues have been noted.

ANNUAL MONITORING OF CONTRACTS 20/21											
CONTRACT NUMBER	CONTRACTORS NAME	CONTRACT VALUE	DESCRIPTION OF CONTRACT	MULTI YEAR CONTRACT (YES / NO)	ANNUAL TARGET 19/20 FY	ACTUAL 19/20 FY	TARGET SCORING	ANNUAL TARGET 20/21 FY	ACTUAL 20/21 FY	TARGET SCORING	COMMENT
SLA-SCHINDLE	Schindler Lifts (Sa) (Pty) Ltd	R 1,824,627.47	Maintenance and Repair Services for the Professor Nyembezi Building, The Tatham	Yes	Repair and maintain lifts at appointed site	Achieved	3	Repair and maintain lifts at appointed site	Achieved	3	Service level agreement in place for 3 years. No maintenance issues received from the business unit. Performance to date is satisfactory as per business unit.
OTIS SLA	Otis (Pty) Ltd	R 3,364,644.39	Maintenance And Repair Services For Lifts Building And The City Hall Building	Yes	Repair and maintain lifts at appointed site	Achieved	3	Repair and maintain lifts at appointed site	Achieved	3	Contract extended for 3 years by BAC. Service level agreement in place for 3 years. No maintenance issues received from the business unit.
SS78 Of 2016	ecocycle waste solutions	R 50,000.00	Provision of Health Care Risk Waste Disp	Yes	Not applicable adhoc contract	N/A	N/A	Not applicable adhoc contract	N/A	N/A	No issues of performance reported on this contract.
SS 9 of 2017	Med Pak Cc	R 200,000.00	Supply and Delivery of Medication		Adhoc contract	N/A	Adhoc contract	N/A	Adhoc contract	N/A	the deliverables are acceptable
E38 of 2017	Dusi Electrical CC	R 1,000,000.00	The Replacement of Lamps and Luminaires Maintenance of Outdoor Lighting Installa	yes	The contract is and when required contract	The contract is and when required contract	5	The contract is and when required contract	The contract is and when required contract	5	The performance of the contractor is satisfactory
E38 of 2017	Mzungezwa Projects CC	R 1,514,761.13	The Replacement of Lamps and Luminaires Maintenance of Outdoor Lighting Installa	yes	The contract is and when required contract	The contract is and when required contract	5	The contract is and when required contract	The contract is and when required contract	5	The performance of the contractor is satisfactory
SLA	IMQS Software (Pty) Ltd	R 1,427,100.76	Annual License and Software Maintenance	yes	N/A	N/A	N/A	N/A	N/A	N/A	The Consultant meet all the contractual deliverables of the contract. However the contract has reached it end date and a report has been sent to BAC for extension of time

ANNUAL MONITORING OF CONTRACTS 20/21											
CONTRACT NUMBER	CONTRACTORS NAME	CONTRACT VALUE	DESCRIPTION OF CONTRACT	MULTI YEAR CONTRACT (YES / NO)	ANNUAL TARGET 19/20 FY	ACTUAL 19/20 FY	TARGET SCORING	ANNUAL TARGET 20/21 FY	ACTUAL 20/21 FY	TARGET SCORING	COMMENT
SCM530f16 /17	Akew Investments Cc	R 1,710,726.88	FABRICATION, INSTALLATION, REPLACEMENT AND STRUCTURAL STEEL PASSENGER SHELTERS AT V	YES	Completion of approximately 40 bus shelters in 5 wards	Completed as planned	3	To install 43 bus shelters in 6 wards and additional 35 if funding is allocated at mid-year review	43 bus shelters completed in 6 wards before financial year end	3	Contract expired 15th September 2020. Because of lack of funding business unit has not started the procurement process for new contract.
SCM41-16/17	Kerush'S Transport CC	R 1,391,570.00	Hire of Water Tankers (Drinking Water) Msunduzi Municipality	YES	N/A	N/A	N/A	N/A	N/A	N/A	The company provides the supply of Water promptly and the performance is satisfactory.
SCM41-16/17	First Works 119	R 485,460.00	Hire of Water Tankers (Drinking Water) Msunduzi Municipality	YES	N/A	N/A	N/A	N/A	N/A	N/A	The company provides the supply of Water promptly but on the last rotation they absconded the site
SCM41-16/17	Blacks Transport and Logistics	R 1,000,000.00	Hire of Water Tankers (Drinking Water) Msunduzi Municipality	YES	N/A	N/A	N/A	N/A	N/A	N/A	The company provides the supply of Water promptly and the performance is satisfactory.

ANNUAL MONITORING OF CONTRACTS 20/21											
CONTRACT NUMBER	CONTRACTORS NAME	CONTRACT VALUE	DESCRIPTION OF CONTRACT	MULTI YEAR CONTRACT (YES / NO)	ANNUAL TARGET 19/20 FY	ACTUAL 19/20 FY	TARGET SCORING	ANNUAL TARGET 20/21 FY	ACTUAL 20/21 FY	TARGET SCORING	COMMENT
SCM41-16/17	NPN Somashp Enterprises	R 200,000.00	Hire of Water Tankers (Drinking Water) Msunduzi Municipality	YES	N/A	N/A	N/A	N/A	N/A	N/A	The company provides the supply of Water promptly but on the last rotation they absconded the site
SCM41-16/17	Mkholwa IT Services	R 1,140,082.88	Hire of Water Tankers (Drinking Water) Msunduzi Municipality	YES	N/A	N/A	N/A	N/A	N/A	N/A	The company provides the supply of Water promptly and the performance is satisfactory.
SCM41-16/17	Valamehlo Truck Sales CC	R 636,120.00	Hire of Water Tankers (Drinking Water) Msunduzi Municipality	YES	N/A	N/A	N/A	N/A	N/A	N/A	The company provides the supply of Water promptly and the performance is satisfactory.
SCM41-16/17	Ekene Investments	R 639,525.84	Hire of Water Tankers (Drinking Water) Msunduzi Municipality	YES	N/A	N/A	N/A	N/A	N/A	N/A	The company provides the supply of Water promptly and the performance is satisfactory.
SCM41-16/17	Multi Solution Trading	R 10,000,000.00	Hire of Water Tankers (Drinking Water) Msunduzi Municipality	YES	N/A	N/A	N/A	N/A	N/A	N/A	The company provides the supply of Water promptly and the performance is satisfactory.

ANNUAL MONITORING OF CONTRACTS 20/21											
CONTRACT NUMBER	CONTRACTORS NAME	CONTRACT VALUE	DESCRIPTION OF CONTRACT	MULTI YEAR CONTRACT (YES / NO)	ANNUAL TARGET 19/20 FY	ACTUAL 19/20 FY	TARGET SCORING	ANNUAL TARGET 20/21 FY	ACTUAL 20/21 FY	TARGET SCORING	COMMENT
SCM41-16/17	X-Moor Transport (Pty) Ltd	R 1,596,092.04	Hire of Water Tankers (Drinking Water) Msunduzi Municipality	YES	N/A	N/A	N/A	N/A	N/A	N/A	The company provides the supply of Water promptly and the performance is satisfactory.
SCM41-16/17	Aqua Transport And Plant Hire	R 4,994,312.04	Hire of Water Tankers (Drinking Water) Msunduzi Municipality	YES	N/A	N/A	N/A	N/A	N/A	N/A	The company provides the supply of Water promptly and the performance is satisfactory.
SCM41-16/17	Premier Attraction 217	R 1,467,540.00	Hire of Water Tankers (Drinking Water) Msunduzi Municipality	YES	N/A	N/A	N/A	N/A	N/A	N/A	The company provides the supply of Water promptly but on the last rotation they absconded the site
SCM41-16/17	Sobuza Investments Cc	R 698,549.04	Hire of Water Tankers (Drinking Water) Msunduzi Municipality	YES	N/A	N/A	N/A	N/A	N/A	N/A	The company provides the supply of Water promptly and the performance is satisfactory.
SCM41-16/17	Marlisha Transport Cc	R 815,952.24	Hire of Water Tankers (Drinking Water) Msunduzi Municipality	YES	N/A	N/A	N/A	N/A	N/A	N/A	The company provides the supply of Water promptly and the performance is satisfactory.
SCM41-16/17	Midmar Plant Hire Cc	R 775,620.00	Hire of Water Tankers (Drinking Water) Msunduzi Municipality	YES	N/A	N/A	N/A	N/A	N/A	N/A	The company provides the supply of Water promptly and the performance is satisfactory.

ANNUAL MONITORING OF CONTRACTS 20/21											
CONTRACT NUMBER	CONTRACTORS NAME	CONTRACT VALUE	DESCRIPTION OF CONTRACT	MULTI YEAR CONTRACT (YES / NO)	ANNUAL TARGET 19/20 FY	ACTUAL 19/20 FY	TARGET SCORING	ANNUAL TARGET 20/21 FY	ACTUAL 20/21 FY	TARGET SCORING	COMMENT
SCM41-16/17	Ethos Transport and Road Services	R 2,000,000.00	Hire of Water Tankers (Drinking Water) Msunduzi Municipality	YES	N/A	N/A	N/A	N/A	N/A	N/A	The company provides the supply of Water promptly and the performance is satisfactory.
SCM40-16/17	Datacentrix Pty Ltd	R 6,183,731.96	Appointment of service provider for the servers, backup and storage hardware in	YES	N/A	N/A	N/A	N/A	N/A	N/A	The consultant meet all the contractual deliverables of the contract.
SCM41-16/17	Hennox 170 t/a	R 2,165,040.00	Hire Of Water Tankers (Drinking Water) Msunduzi Municipality	YES	N/A	N/A	N/A	N/A	N/A	N/A	The company provides the supply of Water promptly and the performance is satisfactory.
SS80 of 2017	Kushj Traders CC	R 2,000,000.00	Supply and delivery of stationery, tools equipment, cleaning detergents, weed ki	YES	Supply and Delivery Stationery, Tools, Detergents	Achieved	4	Supply and Delivery of stationery, tools, detergents	Achieved	4	Business unit satisfied with deliveries
SS80 of 2017	Sinohlase investments	R 2,000,000.00	Supply and delivery of stationery, tools equipment, cleaning detergents, weed ki	YES	Supply and Delivery Stationery, Tools, Detergents	Achieved	5	Supply and Delivery of stationery, tools, detergents	Achieved	5	Business unit satisfied with deliveries
SS80 of 2017	citigas t/a	R 2,000,000.00	Supply and Delivery Stationery, Tools, Detergents and Sundry Items	YES	Supply and Delivery Stationery, Tools, Detergents	Achieved	4	Supply and Delivery of stationery, tools, detergents	Achieved	4	Business unit satisfied with deliveries
SS80 of 2017	Olympus Enterprise Pty Ltd	R 2,000,000.00	Supply and Delivery Stationery, Tools,	YES	Supply and Delivery Stationery, Tools, Detergents	Achieved	4	Supply and Delivery of stationery, tools, detergents	Achieved	4	Business unit satisfied with deliveries

ANNUAL MONITORING OF CONTRACTS 20/21											
CONTRACT NUMBER	CONTRACTORS NAME	CONTRACT VALUE	DESCRIPTION OF CONTRACT	MULTI YEAR CONTRACT (YES / NO)	ANNUAL TARGET 19/20 FY	ACTUAL 19/20 FY	TARGET SCORING	ANNUAL TARGET 20/21 FY	ACTUAL 20/21 FY	TARGET SCORING	COMMENT
			Detergents and Sundry Items								
SS80 of 2017	Ilungelo Construction Cc	R 2,000,000.00	Supply and Delivery Stationery, Tools, Detergents and Sundry Items	YES	Supply and Delivery Stationery, Tools, Detergents	Achieved	4	Supply and Delivery Stationery, Tools, Detergents	Achieved	4	Business unit satisfied with deliveries , Supplier is struggling with manufactures price change
SS80 of 2017	Ricky'S Electrical CC	R 2,000,000.00	Supply and Delivery Stationery, Tools, Detergents and Sundry Items	YES	Supply and Delivery Stationery, Tools, Detergents	Achieved	5	Supply and Delivery Stationery, Tools, Detergents	Achieved	5	Business unit satisfied with deliveries
SS80 of 2017	TCN Investment Group	R 2,000,000.00	Supply and Delivery Stationery, Tools, Cleaning Detergents and Sundry Items	YES	Supply and Delivery Stationery, Tools, Detergents	Achieved	4	Supply and Delivery of stationery, tools, detergents	Achieved	4	Business unit satisfied with deliveries
SLA4-11/12	Schindler Lifts (Sa) (Pty) Ltd	R 30,000,000.00	Maintenance and Repair Services for the Tatham Art	Yes	Maintenance	Achieved	N/A	Maintenance	Achieved	N/A	Contract extended for 3 years by BAC. Service level agreement in place for 3 years. No maintenance issues received from the business unit.
SCM25OF18/19	Conrite Walls (Pty) Ltd	R 12,000,000.00	Supply and delivery of VIP top structures	Yes	To advise	Budget constraints No new work done	Budget constraints No new work done	Budget constraints No new work done	Budget constraints No new work done	No new structures to base target on	No new developments on the utilization of the contract.
SCM52-17/18	ATC INDUSTRIES	R 1,000,000.00	Maintenance of Traffic signal	Yes	As and when required	N/A	N/A	N/A	N/A	N/A	Rotational basis
SCM52-17/18	Imbawula Technical	R 1,000,000.00	Maintenance of Traffic signal	YES	As and when required	N/A	N/A	N/A	N/A	N/A	Rotational basis
SCM52-17/18	SONKEM CONSTRUCTION	R 1,000,000.00	Maintenance of Traffic signal	YES	As and when required	N/A	N/A	N/A	N/A	N/A	Rotational basis

ANNUAL MONITORING OF CONTRACTS 20/21											
CONTRACT NUMBER	CONTRACTORS NAME	CONTRACT VALUE	DESCRIPTION OF CONTRACT	MULTI YEAR CONTRACT (YES / NO)	ANNUAL TARGET 19/20 FY	ACTUAL 19/20 FY	TARGET SCORING	ANNUAL TARGET 20/21 FY	ACTUAL 20/21 FY	TARGET SCORING	COMMENT
SCM42-18/19	ACKIN INVESTMENTS 2108	R 14,481,909.50	Rehabilitation of water infrastructure edendale and northdale	YES	No progress	Not Achieved	1	Awaiting new financial year	Awaiting new financial year	Awaiting new financial year	Awaiting new financial year to resume works on site as per the BAC resolution.
SCM 4-19/20	Makhubu Civils CC	R 13,490,134.70	Constr. of Sewer Reticulation within Shenstone Ambleton Ward 13	YES	contract awarded 20/21	contract awarded 20/21	contract awarded 20/21	Completion of project by 30 May 2021	Project continuou s	3	Overall physical progress on site is at 97%, Physical progress: site establishment=100% , setting out=100%, clearing along pipe route=100%, removal of existing structures, fences= 100%, location of existing services and protection= 100%, bedding, laying and pipe testing=100%. 160mm pipe=1476m, 200mm pipe =690m, Construction of manholes= 97%, house connections= 9%, Backfilling=98%, reinstatement of fences and driveways=88%, Snagging =0%. No performance issues noted by the business unit.
9/S36 - 20/21	4 GEE U Trading Enterprise	R1 618 303.00	Appointment of a service provider for waterproofing of the A.S Chetty Building	No	Commenced year 20/21	Commenced year 20/21	Commenced year 20/21	Completion of work	Project continuou s	2	

ANNUAL MONITORING OF CONTRACTS 20/21											
CONTRACT NUMBER	CONTRACTORS NAME	CONTRACT VALUE	DESCRIPTION OF CONTRACT	MULTI YEAR CONTRACT (YES / NO)	ANNUAL TARGET 19/20 FY	ACTUAL 19/20 FY	TARGET SCORING	ANNUAL TARGET 20/21 FY	ACTUAL 20/21 FY	TARGET SCORING	COMMENT
SCM 6 of 17/18	ZML Africa Projects cc	R1 055 250.00	Cost of framework and tariffs for the Msunduzi Municipality for the year 2021/2022	No	Commenced year 20/21	N/A	N/A				
SCM 6 of 17/18	Hamsa Consulting Engineers	R587 400.00	Audit of approximately 782 bulk electricity meters for Msunduzi Municipality for a period of 24 months	No	Engagement commenced in 20/21	Engagement commenced in 20/21	Engagement commenced in 20/21	Audit of 782 bulk meters achieved	Achieved	3	Total audited meters at 801, total number of meters reported at 449, meters to be reported at 352. Total percentage progress at 100%. Service provider to submit all reports for close-out of engagement has since begun sending in reports.
SCM 6 of 17/19	Hamsa Consulting Engineers	R869 250.00	Audit 1984 Prepaid meters in various wards in the Msunduzi Municipality electricity area of supply	No	Engagement commenced in 20/21	Engagement commenced in 20/21	Engagement commenced in 20/21	Audit of 1984 prepaid meters	Continuous	3	Total number of prepaid meters audited as at 02 June 2021= 1006, total number roof meters reported= 225, total number of meters to be reported = 781. Number of remaining meters to be audited = 978. Percentage progress as at 02 June 2021 stands at 51%.

ANNUAL MONITORING OF CONTRACTS 20/21											
CONTRACT NUMBER	CONTRACTORS NAME	CONTRACT VALUE	DESCRIPTION OF CONTRACT	MULTI YEAR CONTRACT (YES / NO)	ANNUAL TARGET 19/20 FY	ACTUAL 19/20 FY	TARGET SCORING	ANNUAL TARGET 20/21 FY	ACTUAL 20/21 FY	TARGET SCORING	COMMENT
SCM 20 of 19/20	Jobafrik Consulting	R260 000.00	Appointment of training service providers: in Environmental NQF Level 3 Learnership Programme (Code:49752)	NO	contract awarded 20/21	contract awarded 20/21	contract awarded 20/21	Achieved	Achieved	3	First trench of modules consisting of three parts completed which started on the 19th April, The second trench consisting of 3 modules to start in the beginning of the new financial year. The business unit is happy with the performance of the service provider and the requirements are received timeously from the service provider.
SCM 21 of 19/20	Wavhudi Business Trading	R480 000.00	Appointment of training service provider: in horticulture NQF Level 3 Learnership Programme (Code: 66649)	No	contract awarded 20/21	contract awarded 20/21	contract awarded 20/21	N/A	N/A	N/A	The service provider has not started with the trainings. As part of the agreement payment was expected prior to commencement of services any payment has not been processed hence no commencement.
SCM 22 of 20/21	Rapid Recruiting Pty Ltd	Rate Based	Collection and delivery, sorting, drawing of matrix for advertised vacancies and reference checks of recommended candidates for Msunduzi Municipality	No	contract awarded 20/21	contract awarded 20/21	contract awarded 20/21	Recently started with the first batch of vacancies	Achieved	3	Business unit confirms that the service provider is now fully engaged, has been working for approximately 3 months and performance and communication is very good. Payment have already been made for submitted invoices and no issues have been reported regarding the service provider.

SECTION 1: FUNCTIONAL AREA SERVICE DELIVERY REPORTING PER BUSINESS UNIT

COMPONENT A: INFRASTRUCTURE SERVICES BUSINESS UNIT

This component includes Water & Sanitation Services, Electricity, Roads, Transportation Planning, and Storm Water & Mechanical Workshops.

1. INFRASTRUCTURE SERVICES

1.1. WATER & SANITATION SERVICES

WATER SERVICES

INTRODUCTION TO WATER SERVICES

There is a correlation between water consumed and Revenue collection. The Revenue collected for all Water related services is directly linked to the above and revenue enhancement should be maximised to fully achieve this. Tariff setting is determined by the consumption used with tiered rate setting for the quantity of water used. The reading of water meters is used to calculate the consumption on a monthly basis and consumers are then billed based on consumption.

A Global Pandemic, COVID-19, demands that the provision of water services to each and every individual is ensured and supplied in a sustainable manner. This factor, coupled with other challenges has put considerable strain on our existing and aging water infrastructure.

WATER SERVICES INITIATIVES UNDERTAKEN DURING 2020/2021 FY

- 3.9 km of new water pipeline constructed in Ward 19
- Practical completion of reservoir, pump station and pipeline completed in Ward 39
- Total Water Losses reduced to 29.8% in Wards 1 to 38

TOTAL USE OF WATER BY SECTOR (CUBIC METER)					
	Agriculture	Forestry	Industrial	Domestic	Unaccountable water losses
2019/2020	N/A	N/A	7735304	44178622	22118214
2020/2021	N/A	N/A	7348965	48375966	23626791

COMMENT ON WATER USE BY SECTOR:

- 1 Decrease in Industrial Usage -5%
- 2 Increase in Domestic Usage 9.5%
- 3 Increase in Water Losses 6.8%

It is evident that Domestic consumers are not adhering to water conservation efforts. The decrease in Commercial/industrial usage may be attributed to a wavering economy.

It should be noted that due to the fragile water infrastructure; the city was subjected to many mainline bursts. 2020/2021 saw the city dealing with 2151 mainline bursts. The increase in water losses is mainly due to these bursts. These combinations of factors will ultimately lead to an increase in bursts and subsequently an increase in water losses.

Factors that also can be attributed to an increase in Domestic usage.

- 1 Urbanization: People moving from rural areas to seek a better future in the city
- 2 Rampant Theft: illegal connections.

The demand for water is on the increase. Communities are demanding any form of water supply from standpipe supply to tap supply inside dwelling. Currently Bulk Water treatment and supply is on a healthy level.

WATER SERVICE DELIVERY LEVELS				Households
Description	2017/2018	2018/2019	2019/2020	2020/2021
	Actual Number	Actual Number	Actual Number	Actual Number
Water: (above min level)				
Piped water inside dwelling	81 736	81 780	81 817	81 942
Piped water inside yard (but not in dwelling)	63 899	63 907	63 907	63 907
Using public tap (within 200m from dwelling)	9 468	9 468	9 468	9 468
Other water supply (within 200m)	N/A	N/A	N/A	N/A
<i>Minimum Service Level and Above sub-total</i>	155 103	155 155	155 192	155317
<i>Minimum Service Level and Above Percentage</i>	94.6%	91.6%	94.6%	94.6 %
Water: (below min level)				
Using public tap (more than 200m from dwelling)	6396	6396	6396	6396
Other water supply (more than 200m from dwelling)				
No water supply	2495	2443	2443	2443
<i>Below Minimum Service Level sub-total</i>	8891	8839	8839	8839
<i>Below Minimum Service Level Percentage</i>	5.4%	5.4%	5.4%	5.4%
Total number of households	163994	163994	164031	164156

*To include informal settlements

HOUSEHOLDS - WATER SERVICE DELIVERY LEVELS BELOW MINIMUM						
Description	Households					
	2017/2018	2018/2019	2019/2020	2020/2021		
	Actual Number	Actual Number	Actual Number	Original Budget No.	Adjusted Budget No.	Actual Number
Formal Settlements						
Total Households	6396	6396	6396	6396	6396	6396
Households below minimum service level	6396	6396	6396	6396	6396	6396
Proportion of households below minimum service level	3.9%	3.9%	3.9%	3.9%	3.9%	3.9%
Informal Settlements						
Total Households	2741	2443	2443	2443	2443	2443
Households below minimum service level	2741	2443	2443	2443	2443	2443
Proportion of households below minimum service level	1.67%	1.5%	1.5%	1.5%	1.5%	1.5%

T3.1.4

SANITATION SERVICES

INTRODUCTION TO SANITATION PROVISION

With the COVID-19 Pandemic being so rampant; it has been statutory indicated that provision of sanitation services should take precedence without compromising other necessary service delivery objectives. This statutory directive is to ensure that the communities live in a hygienically clean environment.

SANITATION SERVICES INITIATIVES UNDERTAKEN DURING 2020/2021 FY

The following is a list of core and essential legislative requirement for the level of sanitation above minimum level of provision that was constructed during the 2020/2021 financial year.

- 2.151 km of new sewer pipeline installed in Ward 11
- 4.304 km of new sewer pipeline installed in Ward 16
- 3.653 km of new sewer pipeline installed in Ward 13 & 18 cumulatively

SANITATION SERVICE DELIVERY LEVELS				
Description	Households			
	2017/2018	2018/2019	2019/2020	2020/2021
	Actual Number	Actual Number	Actual Number	Actual Number
Sanitation / Sewage (above min level)				
Flush Toilet (connected to sewerage)	85 182	85 211	85 229	85241
Flush Toilet ((with septic tank)	8 319	8 319	8 319	8319
Chemical Toilet	7 076	7 076	7 076	7076
Pit Toilet	60 617	61 637	63 167	63 167
<i>Other toilet provisions (above min service level)</i>	N/A	N/A	N/A	N/A

SANITATION SERVICE DELIVERY LEVELS				
				Households
Description	2017/2018	2018/2019	2019/2020	2020/2021
	Actual Number	Actual Number	Actual Number	Actual Number
<i>Minimum Service Level and Above sub-total</i>	161 194	162 243	163791	163 803
<i>Minimum Service Level and Above Percentage</i>	98%	98.29 %	99.2 %	99.8%
Sanitation / Sewage (below min level)				
Budget toilet	N/A	N/A	N/A	N/A
Other toilet provisions (above min level)	0	0	0	0
No toilet provisions	2799	2799	1269	1269
<i>Below Minimum Service Level sub-total</i>	2799	2799	1269	1269
<i>Below Minimum Service Level Percentage</i>	1.71%	1.71%	0.8%	0.2%
Total number of households	163 993	163 993	165060	165060

T3.2.3

HOUSEHOLDS - SANITATION SERVICE DELIVERY LEVELS BELOW MINIMUM						
						Households
Description	2017/2018	2018/2019	2019/2020	2020/2021		
	Actual Number	Actual Number	Actual Number	Original Budget No.	Adjusted Budget No.	Actual Number
Formal Settlements						
Total Households	0	0	0	0	0	0
Households below minimum service level	0	0	0	0	0	0
Proportion of households below minimum service level	0%	0%	0%	0%	0%	0%
Informal Settlements						
Total Households	2 799	2 799	1 269	1 269	1 269	1 269
Households below minimum service level	2 799	2 799	1 269	1 269	1 269	1 269
Proportion of households below minimum service level	1.71%	1.71%	0.77%	0.77%	0.77%	0.77%

T3.1.4

WATER & SANITATION SERVICES POLICY OBJECTIVES TAKEN FROM IDP

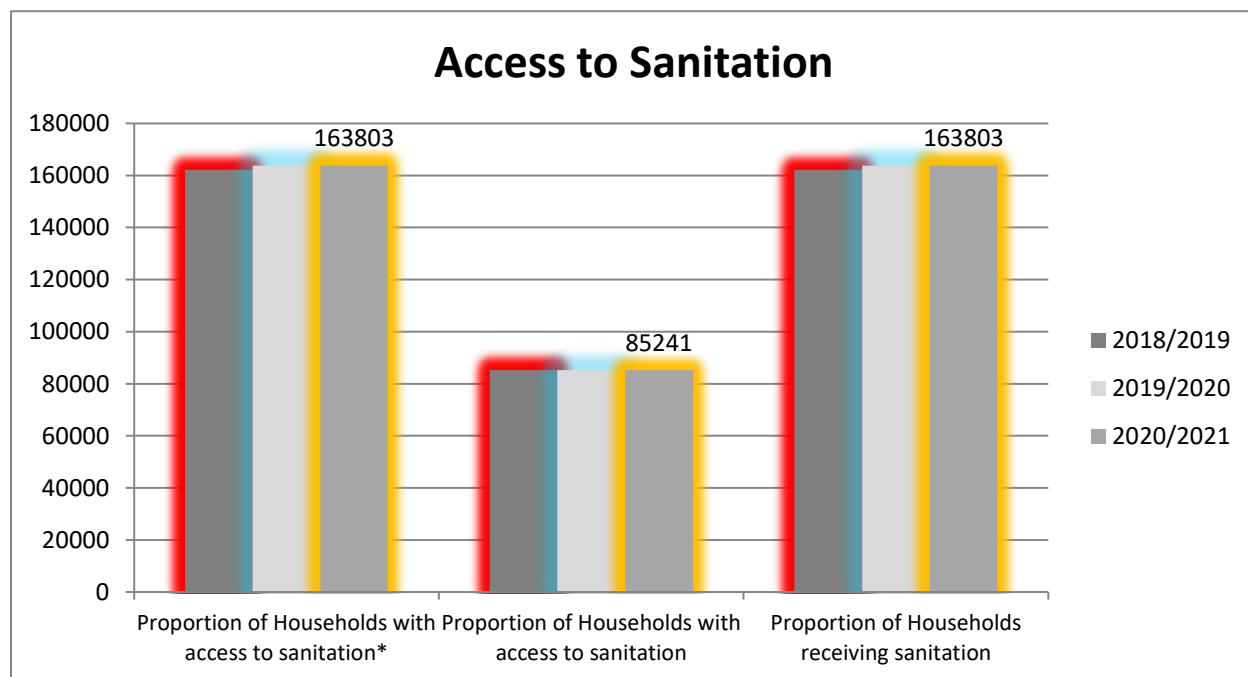
WATER & SANITATION														
PERFORMANCE REPORTING 2019/2020 FY - ANNUAL PROGRESS REPORT			SDBIP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	BASELINE / STATUS QUO	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT						
ANNUAL 2019/2020 FY PROGRESS REPORT								ANNUAL 20/21 FY PROGRESS REPORT						
ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)						ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
Reduced Total Water Losses to 28.3% in Wards 1 to 38 (in total) based on International Water Association Balance by the 30th of June 2020	Total Water Losses = 29.9% (TYD) based on International Water Association Balance by the 30th June 2020	2 (70% - 99%)	W&S 01	NKPA 2 - BASIC SERVICE DELIVERY	WATER - NON REVENUE	Total Water Losses reduced to 28.3%	Reduced Total Water Losses to 28.3% in Wards 1 to 38 (in total) based on International Water Association Balance by the 30th of June 2020	Total Water Losses reduced to 28.3% based on the International Water Association Balance in Wards 1 to 38 (in total) by the 30th of June 2021	Total Water Losses reduced to 29.8% based on the International Water Association Balance in Wards 1 to 38 (in total) by the 30th of June 2021	2 (70% - 99%)	Meter reconciliation conducted resulting in a decrease in billing figures thus increasing water loss figures.	Awaiting completion of meter recons by billing unit.	2 months	IWA Water Balance
R9,999,999.96	12.101.809,77	N/A						R 8,000,000	R 17,044,312	N/A	N/A	N/A	N/A	N/A
Pump station and Telemetry works to commence by 30 June 2020	Commencement of pump station and telemetry works completed by 30 June 2020 as well as pegging and earthworks for rising main to reservoir.	3 (100% - 129%)	W&S 02	NKPA 2 - BASIC SERVICE DELIVERY	WATER	Practical completion of reservoir, pump station and pipeline	100% of 5ML reservoir construction complete by 30th June 2020	Practical completion of reservoir, pump station and pipeline completed in Ward 39 by 30th of June 2021	Practical completion of reservoir, pump station and pipeline completed in Ward 39 by 30th of June 2021	3 (100% - 129%)	N/A	N/A	N/A	Practical Completion Certificate
R 53,000,000	46.084.091,97	N/A						R 33,255,000	R 45,342,001	N/A	N/A	N/A	N/A	N/A

WATER & SANITATION														
PERFORMANCE REPORTING 2019/2020 FY - ANNUAL PROGRESS REPORT			SDBIP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	BASELINE / STATUS QUO	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT						
ANNUAL 2019/2020 FY PROGRESS REPORT								ANNUAL 20/21 FY PROGRESS REPORT						
ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)						ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
3 x sanitation pumpstation upgrades completed by the 31st of December 2019	Received BAC resolution confirming cancellation of tender by 30 November 2019.	NOT APPLICABLE	W&S 10	Basic Service Delivery	Water	1 x Sanitation pump installation (Sobantu PS) completed	Site Establishment complete by 30th June 2020	1 x Sanitation pump installation (Sobantu PS) completed by the 28th of February 2021	3 x Sanitation pump installation (Sobantu PS, Hollingwood PS & Pointsetia PS) completed by the 30th June 2021	3 (100% - 129%)	N/A	N/A	N/A	Invoices & Delivery Notes
R 500,000		N/A						R1,000,000.00	1,131,264	N/A	N/A	N/A	N/A	N/A
1.6 km of water pipe installed by the 30th of June 2020	1,314 km of Water Pipe installed by the 30th June 2020	2 (70% - 99%)	W&S 04	NKPA 2 - BASIC SERVICE DELIVERY	Water	2.6 km of new water pipeline constructed	Site Establishment complete by 30th June 2020	2.6 km of new water pipeline constructed in Ward 19 by the 30th of June 2021	4 km of new water pipeline constructed in Ward 19 by the 30th of June 2021	5 (150% - 167%)	N/A	N/A	N/A	June 2021 Progress Report
R 4,500,000	R 3,523,735	N/A						R 5,000,000.00	R 4,425,820	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	W&S 05	NKPA 2 - BASIC SERVICE DELIVERY	Sanitation	1.35 km of new sewer pipeline installed	Site Establishment complete by 30th June 2020	1.35 km of new sewer pipeline installed in Ward 11 by the 30th of June 2021	2.151 km of new sewer pipeline installed in Ward 11 by the 30th of June 2021	5 (150% - 167%)	N/A	N/A	N/A	June 2021 Progress Report
N/A	N/A	N/A						R 11,500,000.00	R 14,634,712	N/A	N/A	N/A	N/A	N/A

EMPLOYEE SERVICES: WATER SERVICES

EMPLOYEE: WATER SERVICES					
Job Level	2019/2020	2020/2021			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents No.)	Vacancies (as a % of total posts) %
T01-T03	0	0	0	0	0
T04-T08	0	1	0	1	100
T09-T13	1	6	2	4	67
T14-T18	1	4	1	3	75
T19-T22	0	0	0	0	0
T23-T25	0	0	0	0	0
Total	2	11	3	8	73

Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.



FINANCIAL PERFORMANCE 2020/2021: WATER SERVICES					R'000
Details	2019 /2020	2020 / 2021			Variances to Budget %
	Actual	Original Budget	Adjustment Budget	Actual	
Total Operational Revenue (excl. tariffs)	0	0	0	0	0
Expenditure:					
Employees	92 060	105 471	105 871	116 439	9
Repairs and Maintenance	6 511	14 476	13 515	11 640	-13
Other	92 111	99 350	107 374	90 228	-15
Total Operational Expenditure	190 682	219 297	226 760	218 307	-3
Net operational (Service) Expenditure	190 682	219 297	226 760	218 307	-3
Variances are calculated by dividing the difference between the Actual and Adjustment Budget by the Adjustment Budget x 100					

CAPITAL EXPENDITURE – WATER SERVICES

CAPITAL EXPENDITURE : WATER					
DETAILS	2020 / 2021				R'000
	ORIGINAL 2020 / 2021 BUDGET	ADJUSTED 2020_2021 BUDGET	YTD ACTUAL EXPENDITURE	VARIANCE FROM ADJUSTED BUDGET %	TOTAL PROJECT VALUE
Total All	68,755	83,326	78,159	-6	
MIG:ZA:COPEVILLE RESERVOIR	17,000	17,901	17,017	-5	
MIG:Z2:SERV MID ERAD SOB	5,000	4,357	3,920	-10	
MIG:ZA:REDUCTION OF NON REVENUE WATER	13,500	16,264	18,323	13	
WSIG:ZA:BASIC WATER SUPPLY	33,255	44,804	38,899	-13	
Total project value represents the estimated cost of the project on approval by Council (including past and future expenditure as appropriate). Variances are calculated as follows:- Actual expenditure - Adjusted budget divided by the Adjusted budget x 100					

FINANCIAL PERFORMANCE – SANITATION SERVICES

FINANCIAL PERFORMANCE 2020 /2021 : SANITATION SERVICES					
R'000					
Details	2019/202017	2020 /2021			
	Actual	Original Budget	Adjustment Budget	Actual	Variances to Budget %
Total Operational Revenue (excl. tariffs)	0	0	0	0	0
Expenditure:					
Employees	10 119	7 516	7 516	10 139	34
Repairs and Maintenance	504	2 843	1 456	781	-46
Other	181 761	170 375	229 152	206 235	-10
Total Operational Expenditure	192 384	180 734	238 124	217 155	-8
Net operational (Service) Expenditure	192 384	180 734	238 124	217 155	-8
Variances are calculated by dividing the difference between the Actual and Adjustment Budget by the Adjustment Budget x 100					

CAPITAL EXPENDITURE – SANITATION SERVICES

CAPITAL EXPENDITURE : SANITATION					
DETAILS	2020 / 2021				
	ORIGINAL 2020 / 2021 BUDGET	ADJUSTED 2020_2021 BUDGET	YTD ACTUAL EXPENDITURE	VARIANCE FROM ADJUSTED BUDGET %	TOTAL PROJECT VALUE
Total All	62,500	67,533	75,993	13	
MIG:ZA:REHAB OF SANITATION INFRASTRUCTURE	1,000	1,137	1,088	-4	
MIG:Z2:SEWER PIPES AZALEA - PH 2	11,500	13,567	14,778	9	
MIG:ZA:SEWER PIPES UNIT H	13,500	11,362	12,592	11	
MIG:Z3:SHENSTONE AMBLETON SANITATION SYSTEM	6,500	13,213	15,763	19	
MIG:ZA:ELIM OF CONSERV TANKS:SEWER	7,000	10,946	10,760	-2	
MIG:ZA:SERV MIDBL ERAD (SOB)	16,500	12,245	15,229	24	
MIG:Z3:SHENSTONE AMBLETON SANIT SYSTEM	6,500	5,063	5,783	14	
Total project value represents the estimated cost of the project on approval by Council (including past and future expenditure as appropriate). Variances are calculated as follows:- Actual expenditure - Adjusted budget divided by the Adjusted budget x 100					

COMMENT ON WATER & SANITATION SERVICES PERFORMANCE OVERALL

Sanitation Service Objectives form an integral part in the Sanitation Services Performance overall. The primary objectives in Sanitation Service Deliverables include, inter alia:

- 1 Provision of toilets within standards
- 2 Basic Service Deliverables
- 3 Rehabilitation and refurbishment of existing Sanitation infrastructure and services

1.2. ELECTRICITY SERVICES

INTRODUCTION TO ELECTRICITY SERVICES

The Electricity Unit generates approximately 40% of the total revenue of the Municipality. 70% of the income for the Electricity Unit comes from our large customers (industrial and commercial) and 30% from our residential customers.

CHALLENGES

The Hilton and Sweetwaters areas are still experiencing continuous outages due to the numerous faults on the existing 11kV networks. Capacity on the existing Crossways Substation is running very thin and with the number of new developments taking place in these areas, capacity will soon run out. Upgrades of the substation are urgently required to address these issues. Council had already invested a lot in terms of purchasing of long lead time equipment for upgrades of Crossways and Pine Street Substations.

There is a high backlog on maintenance, refurbishment and upgrade of the primary network, secondary substations, overhead lines and cables, thus contributing to unplanned outages and more funding is required to address these challenges.

Overloaded networks and illegal connections are contributing to the high number of replacement of equipment that has blown up and the rate of replacement is alarming. This is contributing to the shortage of materials.

Vandalism of electricity infrastructure including damaging of underground infrastructure by private companies that are digging and installing mainly the fibre optic cables has a negative impact on the provision of quality street lighting, protection of electricity infrastructure, stable electricity supply that in turn reduces Council Revenue and low customer and investor confidence.

Financial constraints are also a challenge in achieving the required targets.

During the better part of festive season municipality experience a severe electricity blackout; such occurrence severely tarnished the reputation of the municipality badly. Therefore, during mid-year budget performance review a decision was taken by Council structure to provide additional budget to electricity business unit in order to ensure critical service delivery initiatives are urgently addressed.

The urgent budget to be provided will be used for the following projects-

- Medium Voltage Network Upgrade R25 million;
- Retief Primary Substation Upgrade R5 million;
- Capital Equipment R19 million;
- Audit of Meters R1 million;
- Primary Substation R9 million.

ELECTRICITY SERVICE DELIVERY LEVELS				
Households				
Description	2017/2018	2018/2019	2019/2020	2020/2021
	Actual Number	Actual Number	Actual Number	Actual Number
Electricity (above min level)				
Electricity (at least min service level)	52 629	60 963	60 981	87 570
Electricity – prepaid (at least min service level)	26 285	36 000	36 161	36 449
Minimum Service Level and Above sub-total	N/A	N/A	N/A	N/A
Minimum Service Level and Above Percentage	N/A	N/A	N/A	N/A
Electricity (below min level)				
Electricity (< min service level)	N/A	N/A	N/A	N/A
Electricity – prepaid (< min service level)	N/A	N/A	N/A	N/A
Other energy sources	N/A	N/A	N/A	N/A
Below Minimum Service Level sub-total	N/A	N/A	N/A	N/A
Below Minimum Service Level Percentage	N/A	N/A	N/A	N/A
Total number of households	N/A	N/A	N/A	N/A

HOUSEHOLDS - ELECTRICITY SERVICE DELIVERY LEVELS BELOW MINIMUM						
Households						
Description	2017/2018	2018/2019	2019/2020	2020/2021		
	Actual Number	Actual Number	Actual Number	Original Budget No.	Adjusted Budget No.	Actual Number
Formal Settlements						
Total Households	N/A	N/A	N/A	N/A	N/A	N/A
Households below minimum service level	N/A	N/A	N/A	N/A	N/A	N/A
Proportion of households below minimum service level	N/A	N/A	N/A	N/A	N/A	N/A
Informal Settlements						
Total Households	193	33	0	0	0	0
Households below minimum service level	N/A	N/A	N/A	N/A	N/A	N/A
Proportion of households below minimum service level	N/A	N/A	N/A	N/A	N/A	N/A

ELECTRICITY SERVICES POLICY OBJECTIVES TAKEN FROM IDP

ELECTRICITY															
SDBIP REFERENCE	PERFORMANCE REPORTING 2019/2020 FY - ANNUAL PROGRESS REPORT			SDBIP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	BASELINE / STATUS QUO	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL 2019/2020 FY PROGRESS REPORT								ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4, 5, Not Applicable)						ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4, 5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
N/A	N/A	N/A	N/A	ELEC 01	N/A	N/A	100% of faulty / defective electricity meters replaced as per technical exception table by the 30th of June 2021	N/A	100% of faulty / defective electricity meters replaced as per technical exception table by the 30th of June 2021	72% OF FAULTY/ DEFECTIVE ELECTRICITY METERS ATTENDED AS PER TECHNICAL EXCEPTION TABLE by the 31st January 2021	2 (70% - 99%)	A LIST OF 970 WAS PUT ON HOLD BY FINANCE IN ORDER TO ATTEND THE 328 PRIORITY FAULTY METERS (NEW EXCEPTION TABLE PROVIDED). 322 METERS HAVE BEEN ATTENDED OUT OF 328, WITH 236 SUCCESSFULLY COMPLETED WITH ONLY 82 METER REPLACEMENTS. 6 STILL TO ATTEND AND 17 METERS COULD NOT BE	Capacitate the sections. Finance Revenue Section to verify their information prior to sending it to Electricity	Ongoing	monthly report and memos

ELECTRICITY															
SDBIP REFERENCE	PERFORMANCE REPORTING 2019/2020 FY - ANNUAL PROGRESS REPORT			SDBIP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	BASELINE / STATUS QUO	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL 2019/2020 FY PROGRESS REPORT								ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4, 5, Not Applicable)						ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4, 5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
												ATTENDED AS THEY ARE REFERRED BACK TO FINANCE DUE TO INSUFFICIENT INFORMATION.			
N/A	N/A	N/A	N/A		N/A	N/A		N/A	R 250,000.00	N/A	N/A	N/A	N/A	N/A	N/A
ELE C 03	2 X 11KV EQUIPMENT TO BE PURCHASED AND DELIVERED by the 30th of June 2020	2 X 11KV EQUIPMENT WERE PURCHASED AND DELIVERED by the 30th of June 2020	3 (100% - 129%)	ELE C 03	N/A	N/A	42 x 11kv equipment purchased and delivered	N/A	42 x 11kv equipment purchased and delivered by the 30th of June 2021	76 x 11kv equipment purchased and delivered by the 30th of June 2021	4 (130% - 149%)	More budget was made available for purchasing of additional equipment.	N/A	N/A	PURCHASE ORDER, INVOICES AND DELIVERY NOTES
	R 1,491,517.00	R 1,268,201.70	N/A		N/A	N/A		N/A	R11,955,628.00	N/A	N/A	N/A	N/A	N/A	N/A

ELECTRICITY															
SDBIP REFERENCE	PERFORMANCE REPORTING 2019/2020 FY - ANNUAL PROGRESS REPORT			SDBIP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	BASELINE / STATUS QUO	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL 2019/2020 FY PROGRESS REPORT								ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4, 5, Not Applicable)						ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4, 5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
ELE C 05	2 X VEHICLES PURCHASED AND DELIVERED BY THE 30TH JUNE 2020	0 X VEHICLES PURCHASED AND DELIVERED BY THE 30TH JUNE 2020	1 (69% & below)	ELE C 04	NKPA 2 - BASIC SERVICE DELIVERY	VEHICLES	3 X Vehicles purchased and delivered	N/A	3 X Vehicles purchased and delivered by the 30th of June 2021	09 X Vehicles purchased and delivered by the 30th of June 2021	5 (150% - 167%)	More budget was made available for purchasing of additional vehicles.	N/A	N/A	PURCHASE ORDER, INVOICES AND E-NATIS DOCUMENTS
	500633.09	R 0.00	N/A						R 4 350 190.00	N/A	N/A	N/A	N/A	N/A	N/A

EMPLOYEE INFORMATION – ELECTRICITY SERVICES

ELECTRICITY

EMPLOYEE: ELECTRICITY SERVICES					
Job Level	2019/2020	2020/2021			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents No.	Vacancies (as a % of total posts) %
T01–T03	117	373	113	260	70
T04-T08	29	107	26	81	76
T09–T13	75	220	72	148	67
T14-T18	6	29	9	20	69
T19-T22	1	1	1	0	0
T23-T25	0	0	0	0	0
Total	228	730	221	509	70

Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.

FINANCIAL PERFORMANCE – ELECTRICITY SERVICES

FINANCIAL PERFORMANCE 2020/2021 : ELECTRICITY SERVICES					
					R'000
Details	2019 /2020	2020 /2021			Variances to Budget %
	Actual	Original Budget	Adjustment Budget	Actual	
Total Operational Revenue (excl. tariffs)	0	0	0	0	0
Expenditure:					
Employees	100 396	134 184	135 499	113 461	-16
Repairs and Maintenance	18 535	43 195	50 761	48 669	-4
Other	167 271	136 674	139 946	140 887	0.6
Total Operational Expenditure	286 202	314 053	326 206	303 017	-7
Net operational (Service) Expenditure	286 202	314 053	326 206	303 017	-7

Variances are calculated by dividing the difference between the Actual and Adjustment Budget by the Adjustment Budget x 100

CAPITAL EXPENDITURE – ELECTRICITY SERVICES

CAPITAL EXPENDITURE : ELECTRICITY					
DETAILS	2020 / 2021				R'000
	ORIGINAL 2020 / 2021 BUDGET	ADJUSTED 2020_2021 BUDGET	YTD ACTUAL EXPENDITURE	VARIANCE FROM ADJUSTED BUDGET %	TOTAL PROJECT VALUE
Total All	7,500	53,727	51,099	-5	
LEVS:ZA:NEW:MACHINERY & EQUIPMENT	3,000	16,622	16,271	-2	
LEVS:AH:NEW:COMPUTER EQUIPMENT	0	280	267	-5	
MSE:ZA: NEW: TRANSPORT ASSETS	0	4,402	3,962	-10	
MIG:ZA:HIGH MAST LIGHTS-VUL & GREAT EDN	4,500	427	0	-100	
MSE:Z1:HILTON INFRASTRUCTURE UPGRADE	0	4,598	3,609	-22	
LEVS:ZA:MEDIUM VOLTAGE NETWORK UPGRADE	0	22,398	22,156	-1	
LEVS:Z4:RETIEF PRIMARY SUBSTATION UPGRADE	0	5,000	4,834	-3	
Total project value represents the estimated cost of the project on approval by Council (including past and future expenditure as appropriate). Variances are calculated as follows:- Actual expenditure - Adjusted budget divided by the Adjusted budget x 100					

COMMENT ON ELECTRICITY SERVICES PERFORMANCE OVERALL

During the 2020/21 financial year the following activities were undertaken and the work will be continuing:

A total of 843 faulty meters were replaced

A total of 1984 Prepaid Meter Customers were audited.

The summary of findings that are being attended are Tampered / Bypassed, Meter Replacement Required, NRS 057 – Not Compliant, Locking Mechanism Not Compliant, Meter Not Sealed / Seal Broken

808 bulk meter audits were audited. The summary of findings that are being attended are Failed Accuracy Test, Tampered / Bypassed, Meter Replacement Required, NRS 057 – Not Compliant, Locking Mechanism Not Compliant, Meter Not Sealed / Seal Broken and Meters not in Database.

404 Community Residential Units (CRU's) were electrified

The Municipality has secured INEP grant for the 2021/22 financial year to electrify an estimated connections of 928 in the following informal settlements areas namely Swapo infills, Thembalihle, Ezinketheni, Sweetwaters infills, Zamokuhle (Tamboville).

The municipality has entered into an agreement with Eskom to address the maintenance backlog on the electricity infrastructure and during the 2020/21 financial year the maintenance was undertaken in following Primary Substations namely Archbell Substation, Crossways Substation, Hesketh Substation, Mkondeni Substation, Woodburn Substation, Retief Street

1.3. MECHANICAL WORKSHOPS

INTRODUCTION TO MECHANICAL WORKSHOPS

Mechanical Workshops is responsible for the repairs and maintenance of Councils vehicle and plant. There are six workshops situated strategically around the City. It facilitates the process with Supply Chain Management (SCM) to outsource major components engines gearboxes differentials and C.O.F. (Certificate of Fitness) to service providers that are compliant on the SCM database.

ORGANIZATIONAL UNITS WITHIN MECHANICAL WORKSHOPS

STRATEGIC OBJECTIVES OF THESE SUB-SECTIONS ARE:

The Manager Mechanical Workshops is responsible for managing the repairs and maintenance to the five mechanical workshops. Excluded from the mechanical workshops is Fire and Emergency Services workshops which reports directly to the Chief Fire Officer. The five workshops are situated at the following locations and cater for the following departments.

DOULL ROAD WORKSHOPS

Situated at 150 Mayors Walk, the workshop is split in two. The one half caters for Waste Management department and the other for the following departments, Water, Sewer, Plant Pool, Transportation, Roads, and Drainage. Waste Management refuse compactor repairs are done on an urgent base in conjunction with the SCM policy.

AUXILIARY WORKSHOP

Situated at 150 Mayors Walk, the workshop is responsible for welding and fabricating, tyre and battery replacements. The scrapping of all tyres replaced in the fleet is checked and managed with the service provider and the Auxiliary Foreman.

ELECTRICITY WORKSHOP

Electricity workshop is situated at 111 Havelock Road. The workshop foreman manages and controls Electricity and Traffic workshops. The workshops cater for the following departments, Electricity, Head Office Pool, the Mayoral and Speakers office.

TRAFFIC WORKSHOP

The workshop is situated at 21 Washington Road. The workshops cater for the following departments Traffic, Security and Airport quad bikes.

PARKS WORKSHOP

The workshop is situated in Alexandra Park. The workshop is split in two, a mechanical workshop for plant and vehicles and a small plant workshops for brush cutter repairs.

MECHANICAL WORKSHOPS POLICY OBJECTIVES TAKEN FROM IDP

MECHANICAL WORKSHOP														
SDBIP REFERENCE	PERFORMANCE REPORTING 2019/2020 FY - ANNUAL PROGRESS REPORT			SDBIP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	BASELINE / STATUS QUO	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL 2019/2020 FY PROGRESS REPORT							ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4, 5, Not Applicable)					ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4, 5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
MW01	75 x Council vehicles and plant serviced by the 30th of June 2020	100 x Council vehicles and plant serviced by the 30th of June 2020	4 (130% -149%)	MW01	NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT	Enhance Infrastructure services processes	30 days turnaround time not achieved	30 days turnaround time in the 20/21 FY achieved on council vehicles repairs completed by the 30th of June 2021	Target not met. Due to backlog, turnaround time for vehicles received for repairs is in excess of 30 days.	1 (69% & below)	There was no manager for the unit for the first 2 quarters of the financial year.	Position has been advertised.	N/A	Monthly reports
	1170000	N/A	N/A					N/A	N/A	N/A	N/A	N/A	N/A	N/A

MECHANICAL WORKSHOP														
SDBIP REFERENCE	PERFORMANCE REPORTING 2019/2020 FY - ANNUAL PROGRESS REPORT			SDBIP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	BASELINE / STATUS QUO	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL 2019/2020 FY PROGRESS REPORT							ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4, 5, Not Applicable)					ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4, 5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
MW02	30 days turnaround time in the 19/20 FY achieved on council vehicles repairs completed by the 30th of June 2020	30 days turnaround time in the 19/20 FY achieved not on council plant repairs not completed	1 (69% & below)	MW02	NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT	Enhance Infrastructure services processes	NIL	60 days turnaround time in the 20/21 FY achieved on council plant repairs completed by the 30th of June 2021	Target not met. Due to backlog, turnaround time for plant vehicle received for repairs is in excess of 60 days.	1 (69% & below)	There was no manager for the unit for the first 2 quarters of the financial year.	Position has been advertised.	N/A	Monthly reports
	N/A	N/A	N/A					N/A	N/A	N/A	N/A	N/A	N/A	N/A

MECHANICAL WORKSHOP														
SDBIP REFERENCE	PERFORMANCE REPORTING 2019/2020 FY - ANNUAL PROGRESS REPORT			SDBIP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	BASELINE / STATUS QUO	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL 2019/2020 FY PROGRESS REPORT							ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4, 5, Not Applicable)					ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4, 5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
MW03	60 days turnaround time in the 19/20 FY achieved on council plant repairs completed by the 30th of June 2020	60 days turnaround time in the 19/20 FY not achieved on council plant repairs not completed	1 (69% & below)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

EMPLOYEE INFORMATION – MECHANICAL WORKSHOPS

EMPLOYEE: MECHANICAL WORKSHOPS					
Job Level	2019/2020	2020/2021			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents No.)	Vacancies (as a % of total posts) %
T01–T03	18	51	13	38	75
T04-T08	6	14	5	9	64
T09–T13	21	28	19	9	32
T14-T18	0	1	0	1	100
T19-T22	0	0	0	0	0
T23-T25	0	0	0	0	0
Total	45	94	37	57	61

FINANCIAL PERFORMANCE – MECHANICAL WORKSHOPS

FINANCIAL PERFORMANCE 2020 /2021 : MECHANICAL WORKSHOPS					
					R'000
Details	2019 / 2020	2020 / 2021			
	Actual	Original Budget	Adjustment Budget	Actual	Variances to Budget %
Total Operational Revenue (excl. tariffs)	0	0	0	0	0
Expenditure:					
Employees	16 212	17 213	17 213	15 408	-10
Repairs and Maintenance	493	771	1 152	757	-34
Other	1 184	819	893	734	-17
Total Operational Expenditure	17 889	18 803	19 258	16 899	-12
Net operational (Service) Expenditure	17 889	18 803	19 258	16 899	-12
Variances are calculated by dividing the difference between the Actual and Adjustment Budget by the					

CAPITAL EXPENDITURE – MECHANICAL WORKSHOPS

CAPITAL EXPENDITURE 2020/2021: MECHANICAL WORKSHOPS					
					R'000
Details	2020/2021				
	Budget	Adjustment Budget	Actual Expenditure	Variances to Adjusted Budget %	Total Project Value
Total All	N/A	N/A	N/A	N/A	
	N/A	N/A	N/A	N/A	
Project A	N/A	N/A	N/A	N/A	
Project B	N/A	N/A	N/A	N/A	
Project C	N/A	N/A	N/A	N/A	
Project D	N/A	N/A	N/A	N/A	

COMMENT ON MECHANICAL WORKSHOPS PERFORMANCE OVERALL

In the absence of a Manager: Mechanical Workshops, due to unfilled critical posts in the Municipality, the Mechanical Workshops have been functioning under variability. This instability has contributed to, but not limited to, neglect in proper administration, poor record keeping, lack of leadership, authority and accountability for the first half of the 2020/2021 financial year.

During the third and fourth quarter of the 2020/2021 financial year the Mechanical Workshops serviced 230 and repaired 1269 of the total 1629 Council owned vehicle and plant received. The servicing of vehicles is currently based on voluntary submission, where the Workshops service vehicles as and when they are brought in by the used departments throughout the year. On an annual basis user departments are reminded of vehicles due for service to which response is satisfactory.

The Mechanical Workshops are currently faced with major backlogs in the servicing and repair of vehicles and plant mainly due to budget constraints.

1.4. ROADS AND TRANSPORTATION

INTRODUCTION TO ROADS & TRANSPORTATION

This unit includes Transportation Planning, Integrated Public Transport Network (IPTN), Roads design and Implementation, Roads and Drainage sections.

ORGANIZATIONAL UNITS WITHIN ROADS & TRANSPORTATION

ROADS

The Roads Section continues to address the backlog of Gravel Roads. An attempt is made yearly to upgrade 15-20km of gravel road into “all weather surfacing in order to render uninterrupted access and safety. (i.e through geometric interventions).

The Roads section has completed its 5-Year Road Asset Management Plan (RAMP) and a Pavement Management System (PMS) to drive the Municipality’s preventative/maintenance for five years.

The RAMP also informs the upgrading of gravel roads programme. The gravel roads and backlog is shown up to Ward level.

TRANSPORTATION PLANNING

The Transportation Planning department is crucial in planning sustainable developments and ensuring accessibility for all. The Transportation Planning department is responsible for meeting the directives set out at all spheres of government. The Key principles that we address as a section are:

- Mobility and Land Use;
- Congestion;
- City Efficiency;
- Road Safety; and
- Accessibility.

STORMWATER DRAINAGE

The Municipality constructed storm water systems in various roads in the Greater Edendale and Vulindlela area for the 2020/2021 financial Year. This was to prevent or minimise flooding of municipal roads. Other new systems are constructed in association with road network upgrade. However, this service is still under funded in terms of new or upgrade and maintenance of existing system.

INTEGRATED RAPID PUBLIC TRANSPORT NETWORK

After the suspension decision by National Treasury from 2020/20 PTNG MTEF, the Municipality continued with infrastructure implementation component of the project as this component had prior commitments that were entered into before the suspension decision.

The infrastructure implementatio component entails the construction for road widening of the truk route to along Moses Mabhida Road from Crossing junction to top of Church Street. Skills transfer is implemented through employment of local labours and 30% of the project value is sucontracted to local subcontractors and SMME's.

SERVICE STATISTICS FOR ROADS & TRANSPORTATION

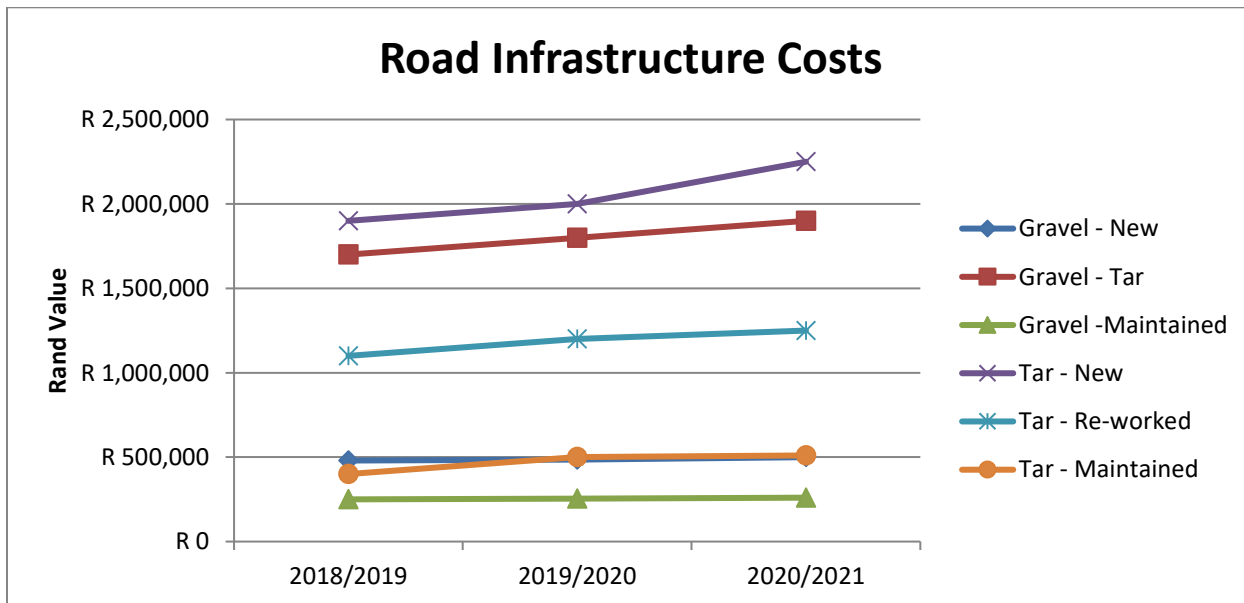
ROADS

GRAVEL ROAD INFRASTRUCTURE				
Kilometres				
	Total gravel Roads	New Gravel Roads constructed	Gravel Roads upgraded to tar	Gravel Roads graded/maintained
2018/2019	484	0	10.9	10.125
2019/2020	573.9	0	6.06	2
2020/2021	567.84	0	7.4	20

T3.7.2

TARRED ROAD INFRASTRUCTURE					
Kilometres					
	Total Tarred Roads	New Tar Roads	Existing Tar Roads re-tarred	Existing Tar Roads re-sheeted	Tar Roads Maintained
2018/2019	1 435.50	10.125	0	0	3
2019/2020	1536.75	6.06	24 000sqm	0	3950 sqm
2020/2021	1 542.81	7.4	60 000sqm	0	16 190.9sqm

T3.7.3



TRANSPORTATION PLANNING

TRANSPORTATION PLANNING SERVICE STATISTICS			
SERVICE OBJECTIVES	DESCRIPTION	2020/2021 FY	
		TARGET	ACTUAL
To provide safety to road users and community and improve accessibility and also contributing towards economic growth	No. of implemented traffic calming as per plan	42	50
	Km of Road Markings	180km	39.4km
	No. of road traffic signs replaced	600	381
	Km of guardrails	0	0

STORMWATER DRAINAGE

STORMWATER INFRASTRUCTURE					
	Total Storm water measures	New Storm water measures	Storm water measures upgraded	Storm water measures maintained	Kilometre
2018/2019	0	3.3	0		37km
2019/2020	0	8.6	0		35km
2020/2021	32,04	4.04			28

COST OF CONSTRUCTION / MAINTENANCE R'000			
	Storm water Measures		
	New	Upgraded	Maintained
2018/2019	27 078 477	0	1 920 000
2019/2020	8 327 550	0	662 905.91
2020/2021	R6 598 935.00	0	R 1 400 000.00

ROADS & TRANSPORTATION POLICY OBJECTIVES TAKEN FROM IDP

ROADS AND TRANSPORTATION														
PERFORMANCE REPORTING 2019/2020 FY - ANNUAL PROGRESS REPORT			SDBIP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	BASELINE / STATUS QUO	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT						
ANNUAL 2019/2020 FY PROGRESS REPORT								ANNUAL 20/21 FY PROGRESS REPORT						
ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4, 5, Not Applicable)						ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4, 5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
N/A	N/A	N/A	R & T 01	NKPA 2 - BASIC SERVICE DELIVERY	UPGRADING OF ROADS INTO BLACK TOP	Construction of 0.5 km road in Ashdown Ward 23 from gravel to black top	NIL	Construction of 0.5 km road in Ashdown Ward 23 from gravel to black top asphalt with associated stormwater completed by the 30th of November 2020	Construction of 0.5 km road in Ashdown Ward 23 from gravel to black top asphalt with associated stormwater completed	3 (100% - 129%)	N/A	N/A	N/A	Completion Certificate
N/A	N/A	N/A						R 1,700,000	N/A	N/A	N/A	N/A	N/A	N/A

ROADS AND TRANSPORTATION														
PERFORMANCE REPORTING 2019/2020 FY - ANNUAL PROGRESS REPORT			SDBIP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	BASELINE / STATUS QUO	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT						
ANNUAL 2019/2020 FY PROGRESS REPORT								ANNUAL 20/21 FY PROGRESS REPORT						
ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4, 5, Not Applicable)						ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4, 5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
N/A	N/A	N/A	R & T 02	NKPA 2 - BASIC SERVICE DELIVERY	UPGRADING OF ROADS INTO BLACK TOP	Construction of 0.25 km road in Dambuza Ward 22 from gravel to black top	NIL	Construction of 0.25 km road in Dambuza Ward 22 from gravel to black top asphalt with associated stormwater completed by December 2020 and Preliminary design of a road in Dambuza Ward 22 completed by May 2021	Construction of 0.225 km road in Dambuza Ward 22 from gravel to black top asphalt with associated stormwater completed by December 2020 and Preliminary design of a road in Dambuza Ward 22 completed.	2 (70% - 99%)	NB: 0.225 km were constructed not 0.25km as 25m was encroaching on a private property.	NB: 0.225 km were constructed not 0.25km as 25m was encroaching on a private property.	Encroachment issue to be resolved first before continuing with project	Practical completion for construction and Preliminary design report
N/A	N/A	N/A					R 4,000,000	N/A	N/A	N/A	N/A	N/A	N/A	N/A

ROADS AND TRANSPORTATION														
PERFORMANCE REPORTING 2019/2020 FY - ANNUAL PROGRESS REPORT			SDBIP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	BASELINE / STATUS QUO	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT						
ANNUAL 2019/2020 FY PROGRESS REPORT								ANNUAL 20/21 FY PROGRESS REPORT						
ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4, 5, Not Applicable)						ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4, 5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
N/A	N/A	N/A	R & T 03	NKPA 2 - BASIC SERVICE DELIVERY	UPGRADING OF ROADS INTO BLACK TOP	Construction of 0.45 km road in Greater Edendale from gravel to black top	NIL	Construction of 0.45 km road in Greater Edendale Ward 20 (Harewood) from gravel to black top asphalt with associated stormwater completed by the 31st of March 2021	Construction of 0.260 km road in Greater Edendale Ward 11 (Snathing) from gravel to black top asphalt with associated stormwater completed by the 30th of April 2021.	2 (70% - 99%)	The total length awarded was 810km which was done in phases. For phase 1 : we completed 550m the remaining 260m was then completed in phase 2.	Remaining portion to be completed in the new Financial Year	21/22	Practical Completion.
N/A	N/A	N/A					R 1,700,000	N/A	N/A	N/A	N/A	N/A	N/A	
N/A	N/A	N/A	R & T 04	NKPA 2 - BASIC SERVICE DELIVERY	UPGRADING OF ROADS INTO BLACK TOP	Construction of 0.280 km road from gravel to black top	NIL	Construction of 0.280 km road in Greater Edendale Ward 11 (Snathing) from gravel to black top asphalt with associated storm water completed by the 30th of April 2021	Construction of 0.260 km road in Greater Edendale Ward 11 (Snathing) from gravel to black top asphalt with associated storm water completed by the 30th of April 2021.	2 (70% - 99%)	Remaining phases to be completed in the new financial year	21/22 Financial year	N/A	Practical Completion.

EMPLOYEE INFORMATION – ROADS & TRANSPORTATION

EMPLOYEE: ROADS, TRANSPORTATION AND STORMWATER					
Job Level	2019/2020	2020/2021			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents No.	Vacancies (as a % of total posts) %
T01–T03	239	405	228	177	44
T04-T08	12	47	13	34	72
T09–T13	36	114	31	83	73
T14-T18	4	18	5	13	72
T19-T22	1	1	1	0	0
T23-T25	0	0	0	0	0
Total	292	585	278	307	52

FINANCIAL PERFORMANCE – ROADS

FINANCIAL PERFORMANCE 2020 / 2021 : ROADS SERVICES					
					R'000
Details	2019 / 2020	2020 / 2021			Variances to Budget %
	Actual	Original Budget	Adjustment Budget	Actual	
Total Operational Revenue (excl. tariffs)	0	0	0	0	0
Expenditure:					
Employees	42 124	45 116	45 208	42 582	-5
Repairs and Maintenance	10 599	27 522	26 155	27 396	4
Other	117 663	33 734	33 519	117 194	249
Total Operational Expenditure	170 386	106 372	104 882	187 172	78
Net operational (Service) Expenditure;	170 386	106 372	104 882	187 172	78

Variances are calculated by dividing the difference between the Actual and Adjustment Budget by the Adjustment Budget x 100

CAPITAL EXPENDITURE – ROADS

CAPITAL EXPENDITURE : ROADS					
DETAILS	2020 / 2021				
	ORIGINAL 2020 / 2021 BUDGET	ADJUSTED 2020_2021 BUDGET	YTD ACTUAL EXPENDITURE	VARIANCE FROM ADJUSTED BUDGET %	TOTAL PROJECT VALUE
Total All	57,700	75,706	99,768	32	
LEVS:Z4:ROAD REHAB - PMS	2,000	12,000	43,581	263	
MIG:Z2:REHAB OF ROADS IN ASHDOWN	1,700	1,225	1,065	-13	
MIG:Z2:UPG GRV RD-EDN-DAMBUZA MJ SWD UPGRADE	3,000	3,000	2,907	-3	

CAPITAL EXPENDITURE : ROADS					
DETAILS	2020 / 2021				R'000
	ORIGINAL 2020 / 2021 BUDGET	ADJUSTED 2020_2021 BUDGET	YTD ACTUAL EXPENDITURE	VARIANCE FROM ADJUSTED BUDGET %	TOTAL PROJECT VALUE
MIG:Z3:UPG GRV RD-EDN-UNIT14/UNIT P-DESIGN	2,500	0	0	0	
MIG:Z2:UPGR GRV ROADS - EDN- STATION RD	0	368	0	-100	
MIG:Z2:UPGR GRV RD-GREATER EDN-CALUZA	4,000	5,011	4,541	-9	
MIG:Z2:UPGR GRV RD-GREATER EDN-HAREWOOD	1,700	4,386	4,146	-5	
MIG:Z2:UPGR GRV RD-GREATER EDN-SNATHING	3,000	4,093	3,929	-4	
MIG:Z3:UPG GRV RD-EDN-WARD17 (PH3)	1,000	4,106	3,195	-22	
MIG:Z1:UPGR GRV RD-VULINDLELA-D2069 PH2	1,700	1,696	1,475	-13	
MIG:Z1:UPGR GRV ROADS-VULINDLELA-WARD 3	3,000	8,001	7,440	-7	
MIG:Z1:UPGR GRV ROADS-VULINDLELA-WARD 4	3,000	4,287	3,649	-15	
MIG:Z1:UPGR GRV ROADS-VULINDLELA-WARD 6	3,000	619	619	0	
MIG:Z1:UPGR GRV ROADS-VULINDLELA-WARD 7	3,000	746	648	-13	
MIG:Z1:UPGR GRV RD-VULINDLELA-WARD 8	1,700	468	468	0	
MIG:Z1:UPGR GRV ROADS-VULINDLELA-WARD 9	3,000	3,000	2,500	-17	
MIG:Z2:UPGR RD IN PEACE VALLEY-10KM	1,700	1,700	1,441	-15	
MIG:Z2:UPGR GRV ROADS-WILLOWF	2,500	219	219	0	
MIG:Z2: MIG REHAB OF ROADS ESIGODINI WARD 12	3,000	500	0	-100	
MIG:Z1:UPGR GRV ROADS-VUL-WARD 1	3,000	4,696	4,081	-13	
MIG:Z1:UPGR GRV ROADS-VUL-WARD 5	1,700	6,729	6,300	-6	
MIG:Z1:UPGR GRV ROADS-VULINDLELA-WARD 39	3,000	3,400	3,131	-8	
MIG:Z1:UPGR GRV RD-VULINDLELA WARD 2	2,500	1,591	890	-44	
MIG:Z2:REHAB OF ROADS - FRANCE- Ward 13 EDN	3,000	3,865	3,543	-8	
Total project value represents the estimated cost of the project on approval by Council (including past and future expenditure as appropriate). Variances are calculated as follows:- Actual expenditure - Adjusted budget divided by the Adjusted budget x 100					

COMMENT ON ROADS & TRANSPORTATION PERFORMANCE OVERALL

In the 2020/21 financial year, Traffic Calming Measures, Non-Motorized Transport (NMT) and Bus Stop Shelter projects were not implemented due to no Budget allocation. Transportation Section was able to achieve 118 km of road markings & replacement of 550 traffic signs at various wards within the municipality. Targets for Road markings and signage were not achieved in 2020/21 due to the COVID-19 Lockdown.

The 4.8km IRPTN road widening along Moses Mabhida Road in order to accommodate dedicated bus lanes, station and NMT facilities is divided into four Work Packages as per the above. Work Package 1 was completed during the 2018/19 financial year and Work Package 4 was completed in February 2021.

The following delays were experienced on the implementation of the two remaining work packages:

Work Package 2- 18 months delays due to tender objection, Covid-19 delays and late payment of invoices due to late approval of the shortfall amount in order to conclude all commitments that were undertaken prior to the suspension decision.

Work Package 3 –dispute between the Municipality and the contractor, Covid-19 delays and late payment of invoices due to late approval of the shortfall amount in order to conclude all commitments that were undertaken prior to the suspension decision

The transportation Section continues to address the backlog of the installation of Traffic Calming measures, guardrails and bus shelters in order to improve safety in the municipal road network.

In the 2020/21 financial year, Traffic Calming Measures, Non-Motorized Transport (NMT) and Bus Stop Shelter projects were not implemented due to no Budget allocation. Transportation Section was able to achieve 118 km of road markings & replacement of 550 traffic signs at various wards within the municipality. Targets for Road markings and signage were not achieved in 2020/21 due to the COVID-19 Lockdown.

The department has continued with its programme of re-gravelling, maintenance of gravel roads and upgrading of gravel roads to all weather surface with a vision of reducing the high backlog of unsafe roads within the city.

Funds are slowly being made available by the Municipality towards the rehabilitation programme, which makes up the preventative maintenance of the department as a result, a total of 60 000m² of surface roads were rehabilitated, 16 190.9 m² of pothole were repaired and 7.4km of gravel roads were upgraded to all weather surface roads during the 2020/21 FY

1.5. PROJECT MANAGEMENT OFFICE

INTRODUCTION TO PROJECT MANAGEMENT OFFICE

The Municipal Infrastructure Grant (MIG) is a grant issued by National Treasury to public bodies, mainly municipalities and major government department to fund infrastructure projects and programmes implemented for the sole purpose of improving service delivery. The grant is facilitated by COGTA and is mainly spent on delivering basic infrastructure services to poor communities in order to address the backlog which exists in roads, public facilities, water and sanitation.

INTRODUCTION TO MIG

The projects executed within the 2020/2021 financial year where service delivery projects ranging from the upgrade of gravel roads to asphalt and concrete, rehabilitation of sanitation infrastructure and installation of VIP toilets in various wards of Msunduzi Municipality.

The Municipality in the 2020/2021 financial Year ensured that MIG is monitored through weekly CAPEX and MIG meetings that would track and help accelerate MIG expenditure in the Municipality for the 2020/2021 financial Year

MUNICIPAL INFRASTRUCTURE GRANT (MIG)* EXPENDITURE 2020/2021 ON SERVICE BACKLOGS

MUNICIPAL INFRASTRUCTURE GRANT (MIG)* EXPENDITURE 2020/21 ON SERVICE BACKLOGS						
						R'000
Details	Budget	Adjustment Budget	Actual	Variance		Major conditions applied by donor (continue below if necessary)
				Budget	Adjustment Budget	
Infrastructure – Road transport	5 400	2 714	3 874	5 400	2 714	-
Roads, Pavements & Bridges	70 600	80 041	89 929	70 600	80 041	-
Stormwater	-	-	-	-	-	-
Infrastructure – Electricity	-	-	-	-	-	-
Generation	-	-	-	-	-	-
Transmission & reticulation	-	-	-	-	-	-
Street Lighting	8 700	5 309 30508,00	1 881	8 700	5 309 30508,00	-
Infrastructure – water	-	-	-	-	-	-
Dams & Reservoirs	10 000	3 013	4 520	10 000	3 013	-
Water Purification	-	-	-	-	-	-
Reticulation	-	16 557	14 295	-	16 557	-
Infrastructure – Sanitation	2 000	896	-	2 000	896	-
Reticulation	17 000	35 176	13 264	17 000	35 176	-

MUNICIPAL INFRASTRUCTURE GRANT (MIG)* EXPENDITURE 2020/21 ON SERVICE BACKLOGS						
						R'000
Details	Budget	Adjustment Budget	Actual	Variance		Major conditions applied by donor (continue below if necessary)
				Budget	Adjustment Budget	
Sewage purification	52 856 244	11 204	38 376	52 856 244	11 204	-
Infrastructure – Other	14 916 256	30 392	7 774	14 916 256	30 392	-
Waste Management	5 000	589	3 199	5 000	589	-
Transportation	3 043 500	4 224	3 401	3 043 500	4 224	-
Running Costs	8 000	7 401	6 271	8 000	7 401	-
Total	197 516	197 516	186 804	197 516	197 516	-

PROJECT MANAGEMENT POLICY OBJECTIVES TAKEN FROM IDP

PROJECT MANAGEMENT OFFICE															
SDBIP REFERENCE	PERFORMANCE REPORTING 2019/2020 FY - ANNUAL PROGRESS REPORT			SDBIP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	BASELINE / STATUS QUO	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL 2019/2020 FY PROGRESS REPORT								ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)						ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
PMO39	Design and site establishment for Madiba Community Hall completed by the 30th of June 2020	Design and site establishment for Madiba Community Hall NOT completed by the 30th of June 2020. Only the preliminary Design was completed by the 30th of June 2020	2 (70% - 99%)	PMO01	NKPA 2 - BASIC SERVICE DELIVERY	PUBLIC FACILITY CONSTRUCTION	Construction to foundation level for Madiba Community Hall	New	Commencement of Construction to foundation level for Madiba Community Hall in ward 34 completed by the 30th of June 2021	Commencement of Construction to foundation level for Madiba Community Hall in ward 34 not completed by the 30th of June 2021	1 (69% & below)	Waiting for the appointment of contractor	Extend Validity period	30-Oct-21	Appointment letter. Payment Certificate.
	R2,000,000	R275,932	N/A						1 000 000	N/A	N/A	N/A	N/A	N/A	N/A

PROJECT MANAGEMENT OFFICE															
SDBIP REFERENCE	PERFORMANCE REPORTING 2019/2020 FY - ANNUAL PROGRESS REPORT			SDBIP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	BASELINE / STATUS QUO	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL 2019/2020 FY PROGRESS REPORT								ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)						ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
PMO02	Final design for Ward 8 Community Hall Completed by the 30th of June 2020	Final design for ward 8 Community hall completed by the 30th June 2020	3 (100% - 129%)	PMO02	NKPA 2 - BASIC SERVICE DELIVERY	PUBLIC FACILITY CONSTRUCTION	Construction of Foundation completed for Elandskop community Hal	New	Construction of Foundation completed for Elandskop community Hall in ward 8 by the 30th of June 2021	Construction of Foundation not completed for Elandskop community Hall in ward 8 by the 30th of June 2021	1 (69% & below)	Re-advertise the Appointment of contractor on open tender from close tender panel of contractors	Amend programme of the project by re-advertising the Appointment of contractor on open tender.	Appointment of contract or by 30 November 2021	Appointment letter. Payment Certificate
	R 900,000	R900 000.00	N/A						R1,700,000.00	N/A	N/A	N/A	N/A	N/A	N/A
PMO03	Final design for Ward 24 Community Hall Completed by the 30th of June 2020	Final design for Ward 24 Community Hall Completed by the 30th of June 2020	3 (100% - 129%)	PMO03	NKPA 2 - BASIC SERVICE DELIVERY	PUBLIC FACILITY CONSTRUCTION	Site establishment and excavation for Oribi Community Hall	Final design for Ward 24 Community Hall Completed by the 30th of June 2020	Site establishment and excavation for Oribi Community Hall in ward 24 by the 30th of April 2021	Site establishment and excavation not completed for Oribi Community Hall in ward 24 by the 30th of April 2021	1 (69% & below)	Spluma application delayed.	Amend the programme of the project.	Appointment of contract or by 31 December 2021	Appointment letter. Payment Certificate
	R 1,300,000	R 300,000	N/A						R500,000.00	N/A	N/A	N/A	N/A	N/A	N/A

PROJECT MANAGEMENT OFFICE															
SDBIP REFERENCE	PERFORMANCE REPORTING 2019/2020 FY - ANNUAL PROGRESS REPORT			SDBIP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	BASELINE / STATUS QUO	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL 2019/2020 FY PROGRESS REPORT								ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)						ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
N / A	N/A	N/A	N/A	PMO 04	NKPA 2 - BASIC SERVICE DELIVERY	PUBLIC FACILITY CONSTRUCTION	Site establishment and excavation for Oribi Community Hall	New	Construction of foundation level for Thembalihle Community Hall in ward 38 completed by the 30th of June 2021	Construction of foundation level for Thembalihle Community Hall in Ward 38 NOT completed by the 30th of June 2021.	1 (69% & below)	Appointment letter not issued due to high tender rates from bidders.To cancel the close tender process and go for open tender to allow for competitive bidding.	Advertise open tender for competitive bidding	6 months	Appointment letter. Payment Certificate
N / A	N/A	N/A	N/A						R2 000 000.00	N/A	N/A	N/A	N/A	N/A	N/A

MUNICIPAL INFRASTRUCTURE GRANT (MIG)* EXPENDITURE 2020/2021 ON SERVICE BACKLOGS

MUNICIPAL INFRASTRUCTURE GRANT (MIG)* EXPENDITURE 2020/21 ON SERVICE BACKLOGS						
						R'000
Details	Budget	Adjustment Budget	Actual	Variance		Major conditions applied by donor (continue below if necessary)
				Budget	Adjustment Budget	
Infrastructure – Road transport	5 400	2 714	3 874	5 400	2 714	-
Roads, Pavements & Bridges	70 600	80 041	89 929	70 600	80 041	-
Stormwater	-	-	-	-	-	-
Infrastructure – Electricity	-	-	-	-	-	-
Generation	-	-	-	-	-	-
Transmission & reticulation	-	-	-	-	-	-
Street Lighting	8 700	5 309 30508,00	1 881	8 700	5 309 30508,00	-
Infrastructure – water	-	-	-	-	-	-
Dams & Reservoirs	10 000	3 013	4 520	10 000	3 013	-
Water Purification	-	-	-	-	-	-
Reticulation	-	16 557	14 295		16 557	-
Infrastructure – Sanitation	2 000	896	-	2 000	896	-
Reticulation	17 000	35 176	13 264	17 000	35 176	-
Sewage purification	52 856 244	11 204	38 376	52 856 244	11 204	-
Infrastructure – Other	14 916 256	30 392	7 774	14 916 256	30 392	-
Waste Management	5 000	589	3 199	5 000	589	-
Transportation	3 043 500	4 224	3 401	3 043 500	4 224	-
Running Costs	8 000	7 401	6 271	8 000	7 401	-
Total	197 516	197 516	186 804	197 516	197 516	-

SEVEN TARGETS CAPITAL PROJECTS PER WARD

Seven Largest Capital Projects Per Ward 2020/2021 Financial Year						
Ward Name (No)	Number	Project Name and Details	Start Date	End Date	Progress 2020/2021	R'000 Total Value
1	1	MIG -REDUCTION OF NON REVENUE WATER	1-Jul-20	30-Jun-21	Total Water Losses reduced to 29.8% based on the International Water Association Balance in Wards 1 to 38 (in total) by the 30th of June 2021	17,044
	2	PURCHASE OF 11KV CABLES	1-Jul-20	30-Jun-21	Purchase and delivery of 27 076m out of 27 100m of medium voltage cables by 30 June 2021	13,384
	3	PURCHASE OF 11KV CAPITAL EQUIPMENT	1-Jul-20	30-Jun-21	76 x 11kV equipment purchased and delivered by the 30th of June 2021	11,956
	4	SUPPLY AND INSTALLATION OF 11KV INDOOR SWITCHGEARS AND BATTERY CHARGERS AT RETIEF PRIMARY SUBSTATION	1-Jul-20	30-Jun-21	Supply and delivery of 11kV switchgears and battery charger was achieved by 30 June 2021, no installation work was done	4,983
	5	SUPPLY AND INSTALLATION OF OUTDOOR 11KV SWITCHGEARS AT RETIEF PRIMARY SUBSTATION	1-Jul-20	30-Jun-21	Supply, delivery and installation of outdoor pole mounted type 11kV switchgears by 30 June 2021	4,584
	6	SUPPLY AND INSTALLATION OF 11KV SWITCHGEARS AND BATTERY CHARGER AT MASON'S PRIMARY SUBSTATION	1-Jul-20	30-Jun-21	Supply and delivery of 11kV switchgears and battery charger was achieved by 30 June 2021, no installation work was done	3,883
	7		1-Jul-20	30-Jun-21		0

Seven Largest Capital Projects Per Ward 2020/2021 Financial Year						
Ward Name (No)	Number	Project Name and Details	Start Date	End Date	Progress 2020/2021	R'000 Total Value
2	1	MIG -REDUCTION OF NON REVENUE WATER	1-Jul-20	30-Jun-21	Total Water Losses reduced to 29.8% based on the International Water Association Balance in Wards 1 to 38 (in total) by the 30th of June 2021	17,044
	2	PURCHASE OF 11KV CABLES	1-Jul-20	30-Jun-21	Purchase and delivery of 27 076m out of 27 100m of medium voltage cables by 30 June 2021	13,384
	3	PURCHASE OF 11KV CAPITAL EQUIPMENT	1-Jul-20	30-Jun-21	76 x 11kV equipment purchased and delivered by the 30th of June 2021	11,956
	4	SUPPLY AND INSTALLATION OF 11KV INDOOR SWITCHGEARS AND BATTERY CHARGERS AT RETIEF PRIMARY SUBSTATION	1-Jul-20	30-Jun-21	Supply and delivery of 11kV switchgears and battery charger was achieved by 30 June 2021, no installation work was done	4,983
	5	SUPPLY AND INSTALLATION OF OUTDOOR 11KV SWITCHGEARS AT RETIEF PRIMARY SUBSTATION	1-Jul-20	30-Jun-21	Supply, delivery and installation of outdoor pole mounted type 11kV switchgears by 30 June 2021	4,584
	6	SUPPLY AND INSTALLATION OF 11KV SWITCHGEARS AND BATTERY CHARGER AT MASON'S PRIMARY SUBSTATION	1-Jul-20	30-Jun-21	Supply and delivery of 11kV switchgears and battery charger was achieved by 30 June 2021, no installation work was done	3,883
	7	MIG: Rehabilitation of Roads - Vulindlela Ward 2	1-Jul-20	30-Jun-21	Site establishment for Mabane Causeway Brigde ward 2	2,500

Seven Largest Capital Projects Per Ward 2020/2021 Financial Year						
Ward Name (No)	Number	Project Name and Details	Start Date	End Date	Progress 2020/2021	R'000
3	1	MIG -REDUCTION OF NON REVENUE WATER	1-Jul-20	30-Jun-21	Total Water Losses reduced to 29.8% based on the International Water Association Balance in Wards 1 to 38 (in total) by the 30th of June 2021	17,044
	2	MIG:Z1:UPGR GRV ROADS-VULINDLELA-WARD 3	1-Jul-20	30-Jun-21	Project practically completed, contractor to commence with snag.	3,000
	3		1-Jul-20	30-Jun-21		0
	4		1-Jul-20	30-Jun-21		0
	5		1-Jul-20	30-Jun-21		0
	6		1-Jul-20	30-Jun-21		0
	7		1-Jul-20	30-Jun-21		0
4	1	MIG -REDUCTION OF NON REVENUE WATER	1-Jul-20	30-Jun-21	Total Water Losses reduced to 29.8% based on the International Water Association Balance in Wards 1 to 38 (in total) by the 30th of June 2021	17,044
	2	MIG:Z1:UPGR GRV ROADS-VULINDLELA-WARD 4	1-Jul-20	30-Jun-21	0.7km road in Vulindlela Ward 4 from gravel to black top asphalt with associated stormwater completed by the 31st of December 2020	3,000
	3		1-Jul-20	30-Jun-21		0
	4		1-Jul-20	30-Jun-21		0
	5		1-Jul-20	30-Jun-21		0
	6		1-Jul-20	30-Jun-21		0
	7		1-Jul-20	30-Jun-21		0

Seven Largest Capital Projects Per Ward 2020/2021 Financial Year						
Ward Name (No)	Number	Project Name and Details	Start Date	End Date	Progress 2020/2021	R'000
5	1	MIG -REDUCTION OF NON REVENUE WATER	1-Jul-20	30-Jun-21	Total Water Losses reduced to 29.8% based on the International Water Association Balance in Wards 1 to 38 (in total) by the 30th of June 2021	17,044
	2	MIG:Z1:UPGR GRV ROADS-VUL-WARD 5	1-Jul-20	30-Jun-21	Construction of 1.8km road in Vulindlela ward 5 to black top asphalt has been completed.	1,700
	3	COMMUNITY HALL WARD 5	1-Jul-20	30-Jun-21	Contractor for Mbizane Community Hall in Ward 5 not appointed by the 30th of June 2021	989
	4		1-Jul-20	30-Jun-21		0
	5		1-Jul-20	30-Jun-21		0
	6		1-Jul-20	30-Jun-21		0
	7		1-Jul-20	30-Jun-21		0
6	1	MIG -REDUCTION OF NON REVENUE WATER	1-Jul-20	30-Jun-21	Total Water Losses reduced to 29.8% based on the International Water Association Balance in Wards 1 to 38 (in total) by the 30th of June 2021	17,044
	2		1-Jul-20	30-Jun-21		0
	3		1-Jul-20	30-Jun-21		0
	4		1-Jul-20	30-Jun-21		0
	5		1-Jul-20	30-Jun-21		0
	6		1-Jul-20	30-Jun-21		0
	7		1-Jul-20	30-Jun-21		0
7	1	MIG -REDUCTION OF NON REVENUE WATER	1-Jul-20	30-Jun-21	Total Water Losses reduced to 29.8% based on the International Water Association Balance in Wards 1 to 38 (in total) by the 30th of June 2021	17,044

Seven Largest Capital Projects Per Ward 2020/2021 Financial Year						
Ward Name (No)	Number	Project Name and Details	Start Date	End Date	Progress 2020/2021	R'000
	2	MIG:Z1:UPGR GRV ROADS-VULINDLELA-WARD 7	1-Jul-20	30-Jun-21	Site establishment for Construction of 1.5 km road in Vulindlela Ward 7 from gravel to black top asphalt with associated stormwater NOT commenced by the 30th of June 2021 Contractor appointed	1,700
	3	MIG:Z5: Ward 7 Community Hall	1-Jul-20	30-Jun-21	Mass Earthworks and Commencement of Foundations for Mafunze Community Hall in ward 7 not completed by the 31st June 2021	173
	4		1-Jul-20	30-Jun-21		0
	5		1-Jul-20	30-Jun-21		0
	6		1-Jul-20	30-Jun-21		0
	7		1-Jul-20	30-Jun-21		0
	8	1	MIG -REDUCTION OF NON REVENUE WATER	1-Jul-20	30-Jun-21	Total Water Losses reduced to 29.8% based on the International Water Association Balance in Wards 1 to 38 (in total) by the 30th of June 2021
2		COMMUNITY HALL	1-Jul-20	30-Jun-21	Construction of Foundation not completed for Elandskop community Hall in ward 8 by the 30th of June 2021	4,584
3			1-Jul-20	30-Jun-21		0
4			1-Jul-20	30-Jun-21		0
5			1-Jul-20	30-Jun-21		0
6			1-Jul-20	30-Jun-21		0
7			1-Jul-20	30-Jun-21		0
9	1	MIG -REDUCTION OF NON REVENUE WATER	1-Jul-20	30-Jun-21	Total Water Losses reduced to 29.8% based on the International Water Association Balance in Wards 1 to 38 (in total) by the 30th of June 2021	17,044

Seven Largest Capital Projects Per Ward 2020/2021 Financial Year						
Ward Name (No)	Number	Project Name and Details	Start Date	End Date	Progress 2020/2021	R'000
	2	MIG:Z1:UPGR GRV ROADS-VULINDLELA-WARD 9	1-Jul-20	30-Jun-21	Final Detail Design of 1.5 km of gravel road for Vulindlela ward 9 completed	3,000
	3	MIG:Z1:UPGR GRV ROADS-VULINDLELA-WARD 9 - CONCEPT AND PRELIMINARY DESIGN	1-Jul-20	30-Jun-21	Concept and Preliminary design for Sithole Road in Ward 9 completed	3,000
	4		1-Jul-20	30-Jun-21		0
	5		1-Jul-20	30-Jun-21		0
	6		1-Jul-20	30-Jun-21		0
	7		1-Jul-20	30-Jun-21		0
	10	1	MIG -REDUCTION OF NON REVENUE WATER	1-Jul-20	30-Jun-21	Total Water Losses reduced to 29.8% based on the International Water Association Balance in Wards 1 to 38 (in total) by the 30th of June 2021
2			1-Jul-20	30-Jun-21		0
3			1-Jul-20	30-Jun-21		0
4			1-Jul-20	30-Jun-21		0
5			1-Jul-20	30-Jun-21		0
6			1-Jul-20	30-Jun-21		0
7			1-Jul-20	30-Jun-21		0
11	1	MIG -REDUCTION OF NON REVENUE WATER	1-Jul-20	30-Jun-21	Total Water Losses reduced to 29.8% based on the International Water Association Balance in Wards 1 to 38 (in total) by the 30th of June 2021	17,044
	2	MIG:Z2:SEWER PIPES AZALEA - PH 2	1-Jul-20	30-Jun-21	2.151 km of new sewer pipeline installed in Ward 11 by the 30th of June 2021	14,635

Seven Largest Capital Projects Per Ward 2020/2021 Financial Year						
Ward Name (No)	Number	Project Name and Details	Start Date	End Date	Progress 2020/2021	R'000
	3	MIG:Z2:UPGR GRV RD-GREATER EDN-SNATHING	1-Jul-20	30-Jun-21	Construction of 0.280 km road in Greater Edendale Ward 11 (Snathing) from gravel to black top asphalt with associated stormwater completed	3,000
	4		1-Jul-20	30-Jun-21		0
	5		1-Jul-20	30-Jun-21		0
	6		1-Jul-20	30-Jun-21		0
	7		1-Jul-20	30-Jun-21		0
12	1	MIG -REDUCTION OF NON REVENUE WATER	1-Jul-20	30-Jun-21	Total Water Losses reduced to 29.8% based on the International Water Association Balance in Wards 1 to 38 (in total) by the 30th of June 2021	17,044
	2		1-Jul-20	30-Jun-21		0
	3		1-Jul-20	30-Jun-21		0
	4		1-Jul-20	30-Jun-21		0
	5		1-Jul-20	30-Jun-21		0
	6		1-Jul-20	30-Jun-21		0
	7		1-Jul-20	30-Jun-21		0
13	1	MIG:Z3:SHENSTONE AMBLETON SANIT SYSTEM	1-Jul-20	30-Jun-21	3.653 km of new sewer pipeline installed in Ward 13 & 18 cummulatively by the 30th of June 2021	19,889
	2	MIG -REDUCTION OF NON REVENUE WATER	1-Jul-20	30-Jun-21	Total Water Losses reduced to 29.8% based on the International Water Association Balance in Wards 1 to 38 (in total) by the 30th of June 2021	17,044

Seven Largest Capital Projects Per Ward 2020/2021 Financial Year						
Ward Name (No)	Number	Project Name and Details	Start Date	End Date	Progress 2020/2021	R'000
	3	Rehabilitation of Roads - France - Ward 13 Edendale	1-Jul-20	30-Jun-21	Construction of 0.65 km road in Edendale Ward 13 (France) from gravel to concrete surface with associated stormwater completed	3,580
	4	MIG:Z3:WARD 13 COMMUNITY HALL	1-Jul-20	30-Jun-21	Site Establishment for France Community Hall in Ward 13 not completed by the 31st of May 2021	1,000
	5		1-Jul-20	30-Jun-21		0
	6		1-Jul-20	30-Jun-21		0
	7		1-Jul-20	30-Jun-21		0
14	1	MIG -REDUCTION OF NON REVENUE WATER	1-Jul-20	30-Jun-21	Total Water Losses reduced to 29.8% based on the International Water Association Balance in Wards 1 to 38 (in total) by the 30th of June 2021	17,044
	2	MIG:Z2:UPGRADE OF GRAVEL ROADS - WILLOWFOUNTAIN	1-Jul-20	30-Jun-21	Final Detail Design for Construction of 0.5 km road in Willowfountain Ward 14 from gravel to black top asphalt with associated stormwater completed	2,500
	3		1-Jul-20	30-Jun-21		0
	4		1-Jul-20	30-Jun-21		0
	5		1-Jul-20	30-Jun-21		0
	6		1-Jul-20	30-Jun-21		0
	7		1-Jul-20	30-Jun-21		0

Seven Largest Capital Projects Per Ward 2020/2021 Financial Year						
Ward Name (No)	Number	Project Name and Details	Start Date	End Date	Progress 2020/2021	R'000
15	1	MIG -REDUCTION OF NON REVENUE WATER	1-Jul-20	30-Jun-21	Total Water Losses reduced to 29.8% based on the International Water Association Balance in Wards 1 to 38 (in total) by the 30th of June 2021	17,044
	2	"MIG:ZA:SERV MIDBL ERAD (SOB)	1-Jul-20	30-Jun-21	5.562 km of new sewer pipeline installed in Ward 15 by the 30th of June 2021	13,559
	3		1-Jul-20	30-Jun-21		0
	4		1-Jul-20	30-Jun-21		0
	5		1-Jul-20	30-Jun-21		0
	6		1-Jul-20	30-Jun-21		0
	7		1-Jul-20	30-Jun-21		0
16	1	MIG -REDUCTION OF NON REVENUE WATER	1-Jul-20	30-Jun-21	Total Water Losses reduced to 29.8% based on the International Water Association Balance in Wards 1 to 38 (in total) by the 30th of June 2021	17,044
	2	MIG:ZA:SEWER PIPES UNIT H	1-Jul-20	30-Jun-21	4.304 km of new sewer pipeline installed in Ward 16 by the 30th of June 2021	11,676
	3		1-Jul-20	30-Jun-21		0
	4		1-Jul-20	30-Jun-21		0
	5		1-Jul-20	30-Jun-21		0
	6		1-Jul-20	30-Jun-21		0
	7		1-Jul-20	30-Jun-21		0
17	1	MIG -REDUCTION OF NON REVENUE WATER	1-Jul-20	30-Jun-21	Total Water Losses reduced to 29.8% based on the International Water Association Balance in Wards 1 to 38 (in total) by the 30th of June 2021	17,044

Seven Largest Capital Projects Per Ward 2020/2021 Financial Year						
Ward Name (No)	Number	Project Name and Details	Start Date	End Date	Progress 2020/2021	R'000
	2	"MIG:Z3:UPG GRV RD-EDN- WARD17 (PH3 Unit 13)	1-Jul-20	30-Jun-21	Construction of 0.9 km road in Greater Edendale Ward 17 (Shepstone Ambleton road) from track road to concrete road with associated stormwater completed	1,000
	3		1-Jul-20	30-Jun-21		0
	4		1-Jul-20	30-Jun-21		0
	5		1-Jul-20	30-Jun-21		0
	6		1-Jul-20	30-Jun-21		0
	7		1-Jul-20	30-Jun-21		0
	18	1	MIG:Z3:SHENSTONE AMBLETON SANIT SYSTEM	1-Jul-20	30-Jun-21	3.653 km of new sewer pipeline installed in Ward 13 & 18 cummulatively by the 30th of June 2021
2		MIG -REDUCTION OF NON REVENUE WATER	1-Jul-20	30-Jun-21	Total Water Losses reduced to 29.8% based on the International Water Association Balance in Wards 1 to 38 (in total) by the 30th of June 2021	17,044
3		PURCHASE OF 11KV CABLES	1-Jul-20	30-Jun-21	Purchase and delivery of 27 076m out of 27 100m of medium voltage cables by 30 June 2021	13,384
4		PURCHASE OF 11KV CAPITAL EQUIPMENT	1-Jul-20	30-Jun-21	76 x 11kV equipment purchased and delivered by the 30th of June 2021	11,956

Seven Largest Capital Projects Per Ward 2020/2021 Financial Year						
Ward Name (No)	Number	Project Name and Details	Start Date	End Date	Progress 2020/2021	R'000 Total Value
	5	SUPPLY AND INSTALLATION OF 11KV INDOOR SWITCHGEARS AND BATTERY CHARGERS AT RETIEF PRIMARY SUBSTATION	1-Jul-20	30-Jun-21	Supply and delivery of 11kV switchgears and battery charger was achieved by 30 June 2021, no installation work was done	4,983
	6	SUPPLY AND INSTALLATION OF OUTDOOR 11KV SWITCHGEARS AT RETIEF PRIMARY SUBSTATION	1-Jul-20	30-Jun-21	Supply, delivery and installation of outdoor pole mounted type 11kV switchgears by 30 June 2021	4,584
	7	SUPPLY AND INSTALLATION OF 11KV SWITCHGEARS AND BATTERY CHARGER AT MASON'S PRIMARY SUBSTATION	1-Jul-20	30-Jun-21	Supply and delivery of 11kV switchgears and battery charger was achieved by 30 June 2021, no installation work was done	3,883
19	1	MIG -REDUCTION OF NON REVENUE WATER	1-Jul-20	30-Jun-21	Total Water Losses reduced to 29.8% based on the International Water Association Balance in Wards 1 to 38 (in total) by the 30th of June 2021	17,044
	2	"MIG:Z2:SERV MID ERAD SOB	1-Jul-20	30-Jun-21	3.9 km of new water pipeline constructed in Ward 19 by the 30th of June 2021	4,426
	3		1-Jul-20	30-Jun-21		0
	4		1-Jul-20	30-Jun-21		0

Seven Largest Capital Projects Per Ward 2020/2021 Financial Year						
Ward Name (No)	Number	Project Name and Details	Start Date	End Date	Progress 2020/2021	R'000
	5		1-Jul-20	30-Jun-21		0
	6		1-Jul-20	30-Jun-21		0
	7		1-Jul-20	30-Jun-21		0
20	1	MIG -REDUCTION OF NON REVENUE WATER	1-Jul-20	30-Jun-21	Total Water Losses reduced to 29.8% based on the International Water Association Balance in Wards 1 to 38 (in total) by the 30th of June 2021	17,044
	2	MIG:Z2:UPGR GRV RD-GREATER EDN-CALUZA	1-Jul-20	30-Jun-21	Drainage and granular layers completed by end of June 2021	8,155
	3	MIG:Z2:UPGR GRV RD-GREATER EDN-HAREWOOD	1-Jul-20	30-Jun-21	Project completed, contractor to commence with snag.	1,700
	4		1-Jul-20	30-Jun-21		0
	5		1-Jul-20	30-Jun-21		0
	6		1-Jul-20	30-Jun-21		0
	7		1-Jul-20	30-Jun-21		0
21	1	MIG -REDUCTION OF NON REVENUE WATER	1-Jul-20	30-Jun-21	Total Water Losses reduced to 29.8% based on the International Water Association Balance in Wards 1 to 38 (in total) by the 30th of June 2021	17,044
	2	MIG:ZA:ELIM OF CONSERV TANKS:SEWER	1-Jul-20	30-Jun-21	3.913 km of new sewer pipeline installed in Ward 21 by the 30th of June 2021	10,798
	3		1-Jul-20	30-Jun-21		0
	4		1-Jul-20	30-Jun-21		0
	5		1-Jul-20	30-Jun-21		0

Seven Largest Capital Projects Per Ward 2020/2021 Financial Year						
Ward Name (No)	Number	Project Name and Details	Start Date	End Date	Progress 2020/2021	R'000
	6		1-Jul-20	30-Jun-21		0
	7		1-Jul-20	30-Jun-21		0
22	1	MIG -REDUCTION OF NON REVENUE WATER	1-Jul-20	30-Jun-21	Total Water Losses reduced to 29.8% based on the International Water Association Balance in Wards 1 to 38 (in total) by the 30th of June 2021	17,044
	2	MIG:Z2:UPG GRV RD-EDN-DAMBUZA MJ SWD UPG	1-Jul-20	30-Jun-21	Construction of 0.225 km road in Dambuza Ward 22 from gravel to black top asphalt with associated stormwater completed by December 2020 and Preliminary design of a road in Dambuza Ward 22 completed.	4,000
	3		1-Jul-20	30-Jun-21		0
	4		1-Jul-20	30-Jun-21		0
	5		1-Jul-20	30-Jun-21		0
	6		1-Jul-20	30-Jun-21		0
	7		1-Jul-20	30-Jun-21		0
	23	1	MIG -REDUCTION OF NON REVENUE WATER	1-Jul-20	30-Jun-21	Total Water Losses reduced to 29.8% based on the International Water Association Balance in Wards 1 to 38 (in total) by the 30th of June 2021
2		PURCHASE OF 11KV CABLES	1-Jul-20	30-Jun-21	Purchase and delivery of 27 076m out of 27 100m of medium voltage cables by 30 June 2021	13,384
3		PURCHASE OF 11KV CAPITAL EQUIPMENT	1-Jul-20	30-Jun-21	76 x 11kV equipment purchased and delivered by the 30th of June 2021	11,956

Seven Largest Capital Projects Per Ward 2020/2021 Financial Year						
Ward Name (No)	Number	Project Name and Details	Start Date	End Date	Progress 2020/2021	R'000 Total Value
	4	SUPPLY AND INSTALLATION OF 11KV INDOOR SWITCHGEARS AND BATTERY CHARGERS AT RETIEF PRIMARY SUBSTATION	1-Jul-20	30-Jun-21	Supply and delivery of 11kV switchgears and battery charger was achieved by 30 June 2021, no installation work was done	4,983
	5	SUPPLY AND INSTALLATION OF OUTDOOR 11KV SWITCHGEARS AT RETIEF PRIMARY SUBSTATION	1-Jul-20	30-Jun-21	Supply, delivery and installation of outdoor pole mounted type 11kV switchgears by 30 June 2021	4,584
	6	SUPPLY AND INSTALLATION OF 11KV SWITCHGEARS AND BATTERY CHARGER AT MASON'S PRIMARY SUBSTATION	1-Jul-20	30-Jun-21	Supply and delivery of 11kV switchgears and battery charger was achieved by 30 June 2021, no installation work was done	3,883
	7	MIG:22:REHAB OF ROADS IN ASHDOWN	1-Jul-20	30-Jun-21	Construction of 0.5 km road in Ashdown Ward 23 from gravel to black top asphalt with associated stormwater completed	1,700
24	1	Infrastructure Implementation	1-Jul-20	30-Jun-21	64% of the project has been achieved, layerworks and earthworks are in progress. (June 2020, 12% was achieved. 76% was achieved by June 2021).	79,048

Seven Largest Capital Projects Per Ward 2020/2021 Financial Year						
Ward Name (No)	Number	Project Name and Details	Start Date	End Date	Progress 2020/2021	R'000 Total Value
	2	Infrastructure Implementation	1-Jul-20	30-Jun-21	41% of the project has been achieved, layerworks and earthworks are in progress. (June 2020, 53% was achieved. 94% was achieved by June 2021).	56,985
	3	MIG -REDUCTION OF NON REVENUE WATER	1-Jul-20	30-Jun-21	Total Water Losses reduced to 29.8% based on the International Water Association Balance in Wards 1 to 38 (in total) by the 30th of June 2021	17,044
	4	PURCHASE OF 11KV CABLES	1-Jul-20	30-Jun-21	Purchase and delivery of 27 076m out of 27 100m of medium voltage cables by 30 June 2021	13,384
	5	PURCHASE OF 11KV CAPITAL EQUIPMENT	1-Jul-20	30-Jun-21	76 x 11kV equipment purchased and delivered by the 30th of June 2021	11,956
	6	SUPPLY AND INSTALLATION OF 11KV INDOOR SWITCHGEARS AND BATTERY CHARGERS AT RETIEF PRIMARY SUBSTATION	1-Jul-20	30-Jun-21	Supply and delivery of 11kV switchgears and battery charger was achieved by 30 June 2021, no installation work was done	4,983
	7	SUPPLY AND INSTALLATION OF OUTDOOR 11KV SWITCHGEARS AT RETIEF PRIMARY SUBSTATION	1-Jul-20	30-Jun-21	Supply, delivery and installation of outdoor pole mounted type 11kV switchgears by 30 June 2021	4,584

Seven Largest Capital Projects Per Ward 2020/2021 Financial Year						
Ward Name (No)	Number	Project Name and Details	Start Date	End Date	Progress 2020/2021	R'000 Total Value
25	1	MIG -REDUCTION OF NON REVENUE WATER	1-Jul-20	30-Jun-21	Total Water Losses reduced to 29.8% based on the International Water Association Balance in Wards 1 to 38 (in total) by the 30th of June 2021	17,044
	2	PURCHASE OF 11KV CABLES	1-Jul-20	30-Jun-21	Purchase and delivery of 27 076m out of 27 100m of medium voltage cables by 30 June 2021	13,384
	3	PURCHASE OF 11KV CAPITAL EQUIPMENT	1-Jul-20	30-Jun-21	76 x 11kV equipment purchased and delivered by the 30th of June 2021	11,956
	4	SUPPLY AND INSTALLATION OF 11KV INDOOR SWITCHGEARS AND BATTERY CHARGERS AT RETIEF PRIMARY SUBSTATION	1-Jul-20	30-Jun-21	Supply and delivery of 11kV switchgears and battery charger was achieved by 30 June 2021, no installation work was done	4,983
	5	SUPPLY AND INSTALLATION OF OUTDOOR 11KV SWITCHGEARS AT RETIEF PRIMARY SUBSTATION	1-Jul-20	30-Jun-21	Supply, delivery and installation of outdoor pole mounted type 11kV switchgears by 30 June 2021	4,584

Seven Largest Capital Projects Per Ward 2020/2021 Financial Year						
Ward Name (No)	Number	Project Name and Details	Start Date	End Date	Progress 2020/2021	R'000
	6	SUPPLY AND INSTALLATION OF 11KV SWITCHGEARS AND BATTERY CHARGER AT MASON'S PRIMARY SUBSTATION	1-Jul-20	30-Jun-21	Supply and delivery of 11kV switchgears and battery charger was achieved by 30 June 2021, no installation work was done	3,883
	7		1-Jul-20	30-Jun-21		0
26	1	MIG -REDUCTION OF NON REVENUE WATER	1-Jul-20	30-Jun-21	Total Water Losses reduced to 29.8% based on the International Water Association Balance in Wards 1 to 38 (in total) by the 30th of June 2021	17,044
	2	PURCHASE OF 11KV CABLES	1-Jul-20	30-Jun-21	Purchase and delivery of 27 076m out of 27 100m of medium voltage cables by 30 June 2021	13,384
	3	PURCHASE OF 11KV CAPITAL EQUIPMENT	1-Jul-20	30-Jun-21	76 x 11kV equipment purchased and delivered by the 30th of June 2021	11,956
	4	SUPPLY AND INSTALLATION OF 11KV INDOOR SWITCHGEARS AND BATTERY CHARGERS AT RETIEF PRIMARY SUBSTATION	1-Jul-20	30-Jun-21	Supply and delivery of 11kV switchgears and battery charger was achieved by 30 June 2021, no installation work was done	4,983

Seven Largest Capital Projects Per Ward 2020/2021 Financial Year						
Ward Name (No)	Number	Project Name and Details	Start Date	End Date	Progress 2020/2021	R'000 Total Value
	5	SUPPLY AND INSTALLATION OF OUTDOOR 11KV SWITCHGEARS AT RETIEF PRIMARY SUBSTATION	1-Jul-20	30-Jun-21	Supply, delivery and installation of outdoor pole mounted type 11kV switchgears by 30 June 2021	4,584
	6	SUPPLY AND INSTALLATION OF 11KV SWITCHGEARS AND BATTERY CHARGER AT MASON'S PRIMARY SUBSTATION	1-Jul-20	30-Jun-21	Supply and delivery of 11kV switchgears and battery charger was achieved by 30 June 2021, no installation work was done	3,883
	7	MIG:22:UPGR RD IN PEACE VALLEY-10KM	1-Jul-20	30-Jun-21	Kerb and channeling NOT completed by the 30th of June 2021 Continuing with the construction of earth retaining structures.	1,700
27	1	Infrastructure Implementation	1-Jul-20	30-Jun-21	41% of the project has been achieved, layerworks and earthworks are in progress. (June 2020, 53% was achieved. 94% was achieved by June 2021).	56,985

Seven Largest Capital Projects Per Ward 2020/2021 Financial Year						
Ward Name (No)	Number	Project Name and Details	Start Date	End Date	Progress 2020/2021	R'000 Total Value
	2	Infrastructure Implementation	1-Jul-20	30-Jun-21	24% of Work Package 4 completed by the 28th of February 2021. (Construction of earthworks, layerworks, surfacing and ancilliary works for road widening in Moses Mabhida Road between km 8.8 to km 10.3) Project Completed	43,692
	3	MIG -REDUCTION OF NON REVENUE WATER	1-Jul-20	30-Jun-21	Total Water Losses reduced to 29.8% based on the International Water Association Balance in Wards 1 to 38 (in total) by the 30th of June 2021	17,044
	4	PURCHASE OF 11KV CABLES	1-Jul-20	30-Jun-21	Purchase and delivery of 27 076m out of 27 100m of medium voltage cables by 30 June 2021	13,384
	5	PURCHASE OF 11KV CAPITAL EQUIPMENT	1-Jul-20	30-Jun-21	76 x 11kV equipment purchased and delivered by the 30th of June 2021	11,956
	6	INTALLATION OF 33KV INFRASTRUCTURE	1-Jul-20	30-Jun-21	3 X 26MVA Circuit with 630MM 1/Cable (12KM) tested and commissioned by the 30th of June 2021	7,500
	7	SUPPLY AND INSTALLATION OF 11KV INDOOR SWITCHGEARS AND BATTERY CHARGERS AT RETIEF PRIMARY SUBSTATION	1-Jul-20	30-Jun-21	Supply and delivery of 11kV switchgears and battery charger was achieved by 30 June 2021, no installation work was done	4,983

Seven Largest Capital Projects Per Ward 2020/2021 Financial Year						
Ward Name (No)	Number	Project Name and Details	Start Date	End Date	Progress 2020/2021	R'000 Total Value
28	1	MIG -REDUCTION OF NON REVENUE WATER	1-Jul-20	30-Jun-21	Total Water Losses reduced to 29.8% based on the International Water Association Balance in Wards 1 to 38 (in total) by the 30th of June 2021	17,044
	2	PURCHASE OF 11KV CABLES	1-Jul-20	30-Jun-21	Purchase and delivery of 27 076m out of 27 100m of medium voltage cables by 30 June 2021	13,384
	3	PURCHASE OF 11KV CAPITAL EQUIPMENT	1-Jul-20	30-Jun-21	76 x 11kV equipment purchased and delivered by the 30th of June 2021	11,956
	4	SUPPLY AND INSTALLATION OF 11KV INDOOR SWITCHGEARS AND BATTERY CHARGERS AT RETIEF PRIMARY SUBSTATION	1-Jul-20	30-Jun-21	Supply and delivery of 11kV switchgears and battery charger was achieved by 30 June 2021, no installation work was done	4,983
	5	SUPPLY AND INSTALLATION OF OUTDOOR 11KV SWITCHGEARS AT RETIEF PRIMARY SUBSTATION	1-Jul-20	30-Jun-21	Supply, delivery and installation of outdoor pole mounted type 11kV switchgears by 30 June 2021	4,584

Seven Largest Capital Projects Per Ward 2020/2021 Financial Year						
Ward Name (No)	Number	Project Name and Details	Start Date	End Date	Progress 2020/2021	R'000
	6	SUPPLY AND INSTALLATION OF 11KV SWITCHGEARS AND BATTERY CHARGER AT MASON'S PRIMARY SUBSTATION	1-Jul-20	30-Jun-21	Supply and delivery of 11kV switchgears and battery charger was achieved by 30 June 2021, no installation work was done	3,883
	7		1-Jul-20	30-Jun-21		0
29	1	MIG -REDUCTION OF NON REVENUE WATER	1-Jul-20	30-Jun-21	Total Water Losses reduced to 29.8% based on the International Water Association Balance in Wards 1 to 38 (in total) by the 30th of June 2021	17,044
	2	MIG:ZA:COPEVILLE RESERVOIR	1-Jul-20	30-Jun-21	0.51km of new water pipeline installed by 30th June 2021	16,171
	3	PURCHASE OF 11KV CABLES	1-Jul-20	30-Jun-21	Purchase and delivery of 27 076m out of 27 100m of medium voltage cables by 30 June 2021	13,384
	4	PURCHASE OF 11KV CAPITAL EQUIPMENT	1-Jul-20	30-Jun-21	76 x 11kV equipment purchased and delivered by the 30th of June 2021	11,956
	5	SUPPLY AND INSTALLATION OF 11KV INDOOR SWITCHGEARS AND BATTERY CHARGERS AT RETIEF PRIMARY SUBSTATION	1-Jul-20	30-Jun-21	Supply and delivery of 11kV switchgears and battery charger was achieved by 30 June 2021, no installation work was done	4,983

Seven Largest Capital Projects Per Ward 2020/2021 Financial Year						
Ward Name (No)	Number	Project Name and Details	Start Date	End Date	Progress 2020/2021	R'000 Total Value
	6	SUPPLY AND INSTALLATION OF OUTDOOR 11KV SWITCHGEARS AT RETIEF PRIMARY SUBSTATION	1-Jul-20	30-Jun-21	Supply, delivery and installation of outdoor pole mounted type 11kV switchgears by 30 June 2021	4,584
	7	SUPPLY AND INSTALLATION OF 11KV SWITCHGEARS AND BATTERY CHARGER AT MASON'S PRIMARY SUBSTATION	1-Jul-20	30-Jun-21	Supply and delivery of 11kV switchgears and battery charger was achieved by 30 June 2021, no installation work was done	3,883
30	1	MIG -REDUCTION OF NON REVENUE WATER	1-Jul-20	30-Jun-21	Total Water Losses reduced to 29.8% based on the International Water Association Balance in Wards 1 to 38 (in total) by the 30th of June 2021	17,044
	2	PURCHASE OF 11KV CABLES	1-Jul-20	30-Jun-21	Purchase and delivery of 27 076m out of 27 100m of medium voltage cables by 30 June 2021	13,384
	3	PURCHASE OF 11KV CAPITAL EQUIPMENT	1-Jul-20	30-Jun-21	76 x 11kV equipment purchased and delivered by the 30th of June 2021	11,956

Seven Largest Capital Projects Per Ward 2020/2021 Financial Year						
Ward Name (No)	Number	Project Name and Details	Start Date	End Date	Progress 2020/2021	R'000 Total Value
	4	SUPPLY AND INSTALLATION OF 11KV INDOOR SWITCHGEARS AND BATTERY CHARGERS AT RETIEF PRIMARY SUBSTATION	1-Jul-20	30-Jun-21	Supply and delivery of 11kV switchgears and battery charger was achieved by 30 June 2021, no installation work was done	4,983
	5	SUPPLY AND INSTALLATION OF OUTDOOR 11KV SWITCHGEARS AT RETIEF PRIMARY SUBSTATION	1-Jul-20	30-Jun-21	Supply, delivery and installation of outdoor pole mounted type 11kV switchgears by 30 June 2021	4,584
	6	SUPPLY AND INSTALLATION OF 11KV SWITCHGEARS AND BATTERY CHARGER AT MASON'S PRIMARY SUBSTATION	1-Jul-20	30-Jun-21	Supply and delivery of 11kV switchgears and battery charger was achieved by 30 June 2021, no installation work was done	3,883
	7		1-Jul-20	30-Jun-21		0
31	1	MIG -REDUCTION OF NON REVENUE WATER	1-Jul-20	30-Jun-21	Total Water Losses reduced to 29.8% based on the International Water Association Balance in Wards 1 to 38 (in total) by the 30th of June 2021	17,044
	2	PURCHASE OF 11KV CABLES	1-Jul-20	30-Jun-21	Purchase and delivery of 27 076m out of 27 100m of medium voltage cables by 30 June 2021	13,384

Seven Largest Capital Projects Per Ward 2020/2021 Financial Year						
Ward Name (No)	Number	Project Name and Details	Start Date	End Date	Progress 2020/2021	R'000 Total Value
	3	PURCHASE OF 11KV CAPITAL EQUIPMENT	1-Jul-20	30-Jun-21	76 x 11kV equipment purchased and delivered by the 30th of June 2021	11,956
	4	SUPPLY AND INSTALLATION OF 11KV INDOOR SWITCHGEARS AND BATTERY CHARGERS AT RETIEF PRIMARY SUBSTATION	1-Jul-20	30-Jun-21	Supply and delivery of 11kV switchgears and battery charger was achieved by 30 June 2021, no installation work was done	4,983
	5	SUPPLY AND INSTALLATION OF OUTDOOR 11KV SWITCHGEARS AT RETIEF PRIMARY SUBSTATION	1-Jul-20	30-Jun-21	Supply, delivery and installation of outdoor pole mounted type 11kV switchgears by 30 June 2021	4,584
	6	SUPPLY AND INSTALLATION OF 11KV SWITCHGEARS AND BATTERY CHARGER AT MASON'S PRIMARY SUBSTATION	1-Jul-20	30-Jun-21	Supply and delivery of 11kV switchgears and battery charger was achieved by 30 June 2021, no installation work was done	3,883
	7		1-Jul-20	30-Jun-21		0
32	1	MIG -REDUCTION OF NON REVENUE WATER	1-Jul-20	30-Jun-21	Total Water Losses reduced to 29.8% based on the International Water Association Balance in Wards 1 to 38 (in total) by the 30th of June 2021	17,044

Seven Largest Capital Projects Per Ward 2020/2021 Financial Year						
Ward Name (No)	Number	Project Name and Details	Start Date	End Date	Progress 2020/2021	R'000 Total Value
	2	PURCHASE OF 11KV CABLES	1-Jul-20	30-Jun-21	Purchase and delivery of 27 076m out of 27 100m of medium voltage cables by 30 June 2021	13,384
	3	PURCHASE OF 11KV CAPITAL EQUIPMENT	1-Jul-20	30-Jun-21	76 x 11kV equipment purchased and delivered by the 30th of June 2021	11,956
	4	SUPPLY AND INSTALLATION OF 11KV INDOOR SWITCHGEARS AND BATTERY CHARGERS AT RETIEF PRIMARY SUBSTATION	1-Jul-20	30-Jun-21	Supply and delivery of 11kV switchgears and battery charger was achieved by 30 June 2021, no installation work was done	4,983
	5	SUPPLY AND INSTALLATION OF OUTDOOR 11KV SWITCHGEARS AT RETIEF PRIMARY SUBSTATION	1-Jul-20	30-Jun-21	Supply, delivery and installation of outdoor pole mounted type 11kV switchgears by 30 June 2021	4,584
	6	SUPPLY AND INSTALLATION OF 11KV SWITCHGEARS AND BATTERY CHARGER AT MASON'S PRIMARY SUBSTATION	1-Jul-20	30-Jun-21	Supply and delivery of 11kV switchgears and battery charger was achieved by 30 June 2021, no installation work was done	3,883
	7		1-Jul-20	30-Jun-21		0

Seven Largest Capital Projects Per Ward 2020/2021 Financial Year						
Ward Name (No)	Number	Project Name and Details	Start Date	End Date	Progress 2020/2021	R'000
33	1	Jika Joe Community Residential Unit	1-Jul-20	30-Jun-21	Construction of top structures in Phase 1A to the value of R42 756 220.06 in ward 33 (Jika Joe Community Residential Unit) to be completed in the 20/21 FY by the 30th of June 2021	42,756
	2	MIG -REDUCTION OF NON REVENUE WATER	1-Jul-20	30-Jun-21	Total Water Losses reduced to 29.8% based on the International Water Association Balance in Wards 1 to 38 (in total) by the 30th of June 2021	17,044
	3	PURCHASE OF 11KV CABLES	1-Jul-20	30-Jun-21	Purchase and delivery of 27 076m out of 27 100m of medium voltage cables by 30 June 2021	13,384
	4	PURCHASE OF 11KV CAPITAL EQUIPMENT	1-Jul-20	30-Jun-21	76 x 11kV equipment purchased and delivered by the 30th of June 2021	11,956
	5	SUPPLY AND INSTALLATION OF 11KV INDOOR SWITCHGEARS AND BATTERY CHARGERS AT RETIEF PRIMARY SUBSTATION	1-Jul-20	30-Jun-21	Supply and delivery of 11kV switchgears and battery charger was achieved by 30 June 2021, no installation work was done	4,983
	6	SUPPLY AND INSTALLATION OF OUTDOOR 11KV SWITCHGEARS AT RETIEF PRIMARY SUBSTATION	1-Jul-20	30-Jun-21	Supply, delivery and installation of outdoor pole mounted type 11kV switchgears by 30 June 2021	4,584

Seven Largest Capital Projects Per Ward 2020/2021 Financial Year						
Ward Name (No)	Number	Project Name and Details	Start Date	End Date	Progress 2020/2021	R'000 Total Value
	7	SUPPLY AND INSTALLATION OF 11KV SWITCHGEARS AND BATTERY CHARGER AT MASON'S PRIMARY SUBSTATION	1-Jul-20	30-Jun-21	Supply and delivery of 11kV switchgears and battery charger was achieved by 30 June 2021, no installation work was done	3,883
34	1	MIG -REDUCTION OF NON REVENUE WATER	1-Jul-20	30-Jun-21	Total Water Losses reduced to 29.8% based on the International Water Association Balance in Wards 1 to 38 (in total) by the 30th of June 2021	17,044
	2	PURCHASE OF 11KV CABLES	1-Jul-20	30-Jun-21	Purchase and delivery of 27 076m out of 27 100m of medium voltage cables by 30 June 2021	13,384
	3	PURCHASE OF 11KV CAPITAL EQUIPMENT	1-Jul-20	30-Jun-21	76 x 11kV equipment purchased and delivered by the 30th of June 2021	11,956
	4	SUPPLY AND INSTALLATION OF 11KV INDOOR SWITCHGEARS AND BATTERY CHARGERS AT RETIEF PRIMARY SUBSTATION	1-Jul-20	30-Jun-21	Supply and delivery of 11kV switchgears and battery charger was achieved by 30 June 2021, no installation work was done	4,983

Seven Largest Capital Projects Per Ward 2020/2021 Financial Year						
Ward Name (No)	Number	Project Name and Details	Start Date	End Date	Progress 2020/2021	R'000
	5	SUPPLY AND INSTALLATION OF OUTDOOR 11KV SWITCHGEARS AT RETIEF PRIMARY SUBSTATION	1-Jul-20	30-Jun-21	Supply, delivery and installation of outdoor pole mounted type 11kV switchgears by 30 June 2021	4,584
	6	MIG:Z3:WARD 34 MADIBA COMMUNITY HALL	1-Jul-20	30-Jun-21	Commencement of Construction to foundation level for Madiba Community Hall in ward 34 not completed by the 30th of June 2021	4,584
	7	SUPPLY AND INSTALLATION OF 11KV SWITCHGEARS AND BATTERY CHARGER AT MASON'S PRIMARY SUBSTATION	1-Jul-20	30-Jun-21	Supply and delivery of 11kV switchgears and battery charger was achieved by 30 June 2021, no installation work was done	3,883
35	1	MIG -REDUCTION OF NON REVENUE WATER	1-Jul-20	30-Jun-21	Total Water Losses reduced to 29.8% based on the International Water Association Balance in Wards 1 to 38 (in total) by the 30th of June 2021	17,044
	2	PURCHASE OF 11KV CABLES	1-Jul-20	30-Jun-21	Purchase and delivery of 27 076m out of 27 100m of medium voltage cables by 30 June 2021	13,384
	3	PURCHASE OF 11KV CAPITAL EQUIPMENT	1-Jul-20	30-Jun-21	76 x 11kV equipment purchased and delivered by the 30th of June 2021	11,956

Seven Largest Capital Projects Per Ward 2020/2021 Financial Year						
Ward Name (No)	Number	Project Name and Details	Start Date	End Date	Progress 2020/2021	R'000 Total Value
	4	SUPPLY AND INSTALLATION OF 11KV INDOOR SWITCHGEARS AND BATTERY CHARGERS AT RETIEF PRIMARY SUBSTATION	1-Jul-20	30-Jun-21	Supply and delivery of 11kV switchgears and battery charger was achieved by 30 June 2021, no installation work was done	4,983
	5	SUPPLY AND INSTALLATION OF OUTDOOR 11KV SWITCHGEARS AT RETIEF PRIMARY SUBSTATION	1-Jul-20	30-Jun-21	Supply, delivery and installation of outdoor pole mounted type 11kV switchgears by 30 June 2021	4,584
	6	SUPPLY AND INSTALLATION OF 11KV SWITCHGEARS AND BATTERY CHARGER AT MASON'S PRIMARY SUBSTATION	1-Jul-20	30-Jun-21	Supply and delivery of 11kV switchgears and battery charger was achieved by 30 June 2021, no installation work was done	3,883
	7	MIG:ZA:LANDFILL UPGRADE	1-Jul-20	30-Jun-21	40000m3 Reshaping of Msunduzi Landfill site in ward 35 completed by the 31st of March 2021	2,820
36	1	MIG -REDUCTION OF NON REVENUE WATER	1-Jul-20	30-Jun-21	Total Water Losses reduced to 29.8% based on the International Water Association Balance in Wards 1 to 38 (in total) by the 30th of June 2021	17,044

Seven Largest Capital Projects Per Ward 2020/2021 Financial Year						
Ward Name (No)	Number	Project Name and Details	Start Date	End Date	Progress 2020/2021	R'000 Total Value
	2	PURCHASE OF 11KV CABLES	1-Jul-20	30-Jun-21	Purchase and delivery of 27 076m out of 27 100m of medium voltage cables by 30 June 2021	13,384
	3	PURCHASE OF 11KV CAPITAL EQUIPMENT	1-Jul-20	30-Jun-21	76 x 11kV equipment purchased and delivered by the 30th of June 2021	11,956
	4	SUPPLY AND INSTALLATION OF 11KV INDOOR SWITCHGEARS AND BATTERY CHARGERS AT RETIEF PRIMARY SUBSTATION	1-Jul-20	30-Jun-21	Supply and delivery of 11kV switchgears and battery charger was achieved by 30 June 2021, no installation work was done	4,983
	5	SUPPLY AND INSTALLATION OF OUTDOOR 11KV SWITCHGEARS AT RETIEF PRIMARY SUBSTATION	1-Jul-20	30-Jun-21	Supply, delivery and installation of outdoor pole mounted type 11kV switchgears by 30 June 2021	4,584
	6	SUPPLY AND INSTALLATION OF 11KV SWITCHGEARS AND BATTERY CHARGER AT MASON'S PRIMARY SUBSTATION	1-Jul-20	30-Jun-21	Supply and delivery of 11kV switchgears and battery charger was achieved by 30 June 2021, no installation work was done	3,883
	7		1-Jul-20	30-Jun-21		0

Seven Largest Capital Projects Per Ward 2020/2021 Financial Year						
Ward Name (No)	Number	Project Name and Details	Start Date	End Date	Progress 2020/2021	R'000
37	1	MIG -REDUCTION OF NON REVENUE WATER	1-Jul-20	30-Jun-21	Total Water Losses reduced to 29.8% based on the International Water Association Balance in Wards 1 to 38 (in total) by the 30th of June 2021	17,044
	2	PURCHASE OF 11KV CABLES	1-Jul-20	30-Jun-21	Purchase and delivery of 27 076m out of 27 100m of medium voltage cables by 30 June 2021	13,384
	3	PURCHASE OF 11KV CAPITAL EQUIPMENT	1-Jul-20	30-Jun-21	76 x 11kV equipment purchased and delivered by the 30th of June 2021	11,956
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	5	SUPPLY AND INSTALLATION OF OUTDOOR 11KV SWITCHGEARS AT RETIEF PRIMARY SUBSTATION	1-Jul-20	30-Jun-21	Supply, delivery and installation of outdoor pole mounted type 11kV switchgears by 30 June 2021	4,584

Seven Largest Capital Projects Per Ward 2020/2021 Financial Year						
Ward Name (No)	Number	Project Name and Details	Start Date	End Date	Progress 2020/2021	R'000
	6	SUPPLY AND INSTALLATION OF 11KV SWITCHGEARS AND BATTERY CHARGER AT MASON'S PRIMARY SUBSTATION	1-Jul-20	30-Jun-21	Supply and delivery of 11kV switchgears and battery charger was achieved by 30 June 2021, no installation work was done	3,883
	7		1-Jul-20	30-Jun-21		0
38	1	MIG -REDUCTION OF NON REVENUE WATER	1-Jul-20	30-Jun-21	Total Water Losses reduced to 29.8% based on the International Water Association Balance in Wards 1 to 38 (in total) by the 30th of June 2021	17,044
	2	PURCHASE OF 11KV CABLES	1-Jul-20	30-Jun-21	Purchase and delivery of 27 076m out of 27 100m of medium voltage cables by 30 June 2021	13,384
	3	PURCHASE OF 11KV CAPITAL EQUIPMENT	1-Jul-20	30-Jun-21	76 x 11kV equipment purchased and delivered by the 30th of June 2021	11,956
	4	SUPPLY AND INSTALLATION OF 11KV INDOOR SWITCHGEARS AND BATTERY CHARGERS AT RETIEF PRIMARY SUBSTATION	1-Jul-20	30-Jun-21	Supply and delivery of 11kV switchgears and battery charger was achieved by 30 June 2021, no installation work was done	4,983
	5	SUPPLY AND INSTALLATION OF OUTDOOR 11KV SWITCHGEARS AT RETIEF PRIMARY SUBSTATION	1-Jul-20	30-Jun-21	Supply, delivery and installation of outdoor pole mounted type 11kV switchgears by 30 June 2021	4,584

Seven Largest Capital Projects Per Ward 2020/2021 Financial Year						
Ward Name (No)	Number	Project Name and Details	Start Date	End Date	Progress 2020/2021	R'000 Total Value
	6	SUPPLY AND INSTALLATION OF 11KV SWITCHGEARS AND BATTERY CHARGER AT MASON'S PRIMARY SUBSTATION	1-Jul-20	30-Jun-21	Supply and delivery of 11kV switchgears and battery charger was achieved by 30 June 2021, no installation work was done	3,883
	7		1-Jul-20	30-Jun-21		0
39	1	MWIG - BASIC WATER SUPPLY	1-Jul-20	30-Jun-21	Practical completion of reservoir, pump station and pipeline completed in Ward 39 by 30th of June 2021	45,342
	2	MIG:Z1:UPGR GRV ROADS-VULINDLELA-WARD 39	1-Jul-20	30-Jun-21	Construction of 1 km length of Masoyi Road in Vulindlela Ward 39, from gravel to asphalt surface with associated stormwater NOT completed by the 30th of June 2021 Target Partially met. base preparation	3,000
	3		1-Jul-20	30-Jun-21		0
	4		1-Jul-20	30-Jun-21		0
	5		1-Jul-20	30-Jun-21		0
	6		1-Jul-20	30-Jun-21		0
	7		1-Jul-20	30-Jun-21		0

EMPLOYEE SERVICE STATISTICS: PROJECT MANAGEMENT OFFICE

EMPLOYEE: PROJECT MANAGEMENT OFFICE					
Job Level	2019/2020	2020/2021			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents No.)	Vacancies (as a % of total posts) %
T01-T03	-	-	-	-	-
T04-T08	1	1	1	-	0
T09-T13	6	10	4	6	60
T14-T18	7	13	7	6	60
T19-T22	1	1	1	-	0
T23-T25	-	-	-	-	-
Total	15	25	13	12	52

FINANCIAL PERFORMANCE – PROJECT MANAGEMENT OFFICE

FINANCIAL PERFORMANCE 2020 /2021 : PROJECT MANAGEMENT UNIT					
					R'000
Details	2019/2020	2020/2021			Variances to Budget %
	Actual	Original Budget	Adjustment Budget	Actual	
Total Operational Revenue (excl. tariffs)	0	0	0	0	0
Expenditure:					
Employees	6 047	7 121	7 121	4 834	-32
Repairs and Maintenance	0	7	7	3	-57
Other	511	5 035	5 005	2 451	-51
Total Operational Expenditure	6 558	12 163	12 133	7 288	-39
Net operational (Service) Expenditure	6 558	12 163	12 133	7 288	-39
Variances are calculated by dividing the difference between the Actual and Adjustment Budget by the Adjustment Budget x 100					

CAPITAL EXPENDITURE : TRANSPORTATION: PROJECT MANAGEMENT UNIT					
DETAILS	2020 / 2021				
	ORIGINAL 2020 / 2021 BUDGET	ADJUSTED 2020_2021 BUDGET	YTD ACTUAL EXPENDITURE	VARIANCE FROM ADJUSTED BUDGET %	TOTAL PROJECT VALUE
Total All	0	140	0	-100	
LEVS:ZA:NEW:MACHINERY & EQUIPMENT	0	140	0	-100	

COMMENT ON MIG PERFORMANCE OVERALL

MIG expenditure proved to be a challenge in the 20/21 financial year, in relation to Community Halls no building took place the municipality had to identify sites and get drawings for the Halls some of the funds had to be reallocated for Halls that were ready for construction. With the assistance of CoGTA and the weekly MIG meetings the municipality was able to spend the allocation of MIG.

COMPONENT B: COMMUNITY SERVICES

2.1. WASTE MANAGEMENT

INTRODUCTION TO WASTE MANAGEMENT

The waste management section has an objective of providing 100% service to all its wards in terms of long term strategic planning. It is against this background that the municipality will be looking into procuring additional bulk waste collection containers for coming Financial year in order to achieve this objective.

Street cleansing of the Central Business District and small hubs (Nortdale and Edendale) the section has improved a lot in terms of this practice. The improvements come about as again we have enhanced the operation through detailed allocation of duties and streamlined this managerial tool with intensified supervision of operations. With these plans and checklists we are able to measure input in terms of the output which is clean Central Business District with emphasis on consistency.

The three top service delivery priorities are 100% waste collection service provision, Waste Minimisation and diversion and lastly New England Landfill rehabilitation and management.

In terms of informal settlements the municipality has identified areas through management by cleaning up illegal dumping hot spots within the informal settlements as well as planning on terms of the outer year capital budget to procure equipment that will aid in the provision of waste collection services.

SERVICE STATISTICS FOR WASTE MANAGEMENT

SOLID WASTE SERVICE DELIVERY LEVELS				
Description	2017/2018	2018/2019	2019/2020	2020/2021
	Actual Number	Actual Number	Actual Number	Actual Number
Solid Waste Removal (above min level)				
Removed at least once a week	120 000	120 000	120 000	120 000
<i>Minimum Service Level and Above sub-total</i>	120 000	120 000	120 000	120 000
<i>Minimum Service Level and Above Percentage</i>	73.6 %	73.6 %	73.6%	73.6%
Solid Waste Removal (below min level)				
Removed less frequently than once a week	43 000	43 000	43 000	43 000
Using communal refuse dump	0	0	0	0
Using own refuse dump	0	0	0	0
Own Rubbish Disposal	0	0	0	0
<i>No Rubbish Disposal</i>	43 000	43 000	43 000	43 000
<i>Below Minimum Service Level sub-total</i>	43 000	43 000	43 000	43 000
<i>Below Minimum Service Level Percentage</i>	23.4 %	23.4 %	23.4 %	23.4 %
Total number of households	163 000	163 000	163 000	163 000

T3.4.2

HOUSEHOLDS – SOLID WASTE SERVICE DELIVERY LEVELS BELOW MINIMUM						
Description	Households					
	2017/2018	2018/2019	2019/2020	2020/2021		
	Actual Number	Actual Number	Actual Number	Original Budget No.	Adjusted Budget No.	Actual Number
Formal Settlements	120 000	120 000	120 000	120 000	120 000	120 000
Total Households	43 000	43 000	43 000	43 000	43 000	43 000
Households below minimum service level	26.4 %	26.4 %	26.4 %	26.4 %	26.4 %	26.4 %
Proportion of households below minimum service level	-	-	-	-	-	-
Informal Settlements	43 000	43 000	43 000	43 000	43 000	43 000
Total Households	43 000	43 000	43 000	43 000	43 000	43 000
Households below minimum service level	26 %	26 %	26 %	26 %	26 %	26 %
Proportion of households below minimum service level						

EMPLOYEE INFORMATION – WASTE MANAGEMENT

EMPLOYEE: SOLID WASTE MANAGEMENT SERVICES					
Job Level	2019/2020	2020/2021			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents No.)	Vacancies (as a % of total posts) %
T01–T03	256	358	219	139	39
T04-T08	47	72	44	28	39
T09–T13	8	15	8	7	47
T14-T18	2	2	2	0	0
T19-T22	1	1	1	0	0
T23-T25	0	0	0	0	0
Total	314	448	274	174	39

FINANCIAL PERFORMANCE – WASTE MANAGEMENT

FINANCIAL PERFORMANCE 2020/2021: SOLID WASTE MANAGEMENT SERVICES					
R'000					
Details	2019/2020	2020/2021			
	Actual	Original Budget	Adjustment Budget	Actual	Variances to Adjusted Budget %
Total Operational Revenue (excl. tariffs)	-156,205	-132 744	-132 744	-115 608	87%
Expenditure:					
Employees	88,580	94 863	94 863	90 769	96%
Repairs and Maintenance	5,490	3 510	3 510	6 086	173%
Other	19,512	25 869	23 596	26 631	113%
Total Operational Expenditure	113,582	124 242	121 969	123 486	101%
Net operational (Service) Expenditure	-42,623	-8 502	-10 775	-7 878	-73%
Variances are calculated as follows: Actual expenditure – Adjusted budget divided by the Adjusted budget x 100.					

CAPITAL EXPENDITURE – WASTE MANAGEMENT

CAPITAL EXPENDITURE 2020/2021: SOLID WASTE MANAGEMENT SERVICES					
R'000					
Details	2020/2021				
	Budget	Adjustment Budget	Actual Expenditure	Variances to Adjusted Budget %	Total Project Value
Total All					
	3 000	3 000	2 690	90%	3 000 000,00
Project A	2 525 107	2 525	2 165	86%	2 525 107
Project B	10 000	10 000	7 646	76%	10 000 000,00
Project C	100 000,00	100	0	0%	100 000,00
Project D	50 000,00	50	0	0%	50 000,00 ZAR

COMMENT ON WASTE MANAGEMENT SERVICE PERFORMANCE OVERALL:

The priority largest capital projects are around the procurement of Refuse collection compactor trucks to enhance waste collection as well as the Procurement of yellow earth moving plant for the New England Landfill as part of the 2020/2021 Financial year. Additionally, the waste management section is also as part of the 2020/2021 financial year will be procuring waste collection equipment which are bulk refuse collection containers which will utilized for the collection of waste in semi-rural areas as well as for bulk waste minimization operations at the landfills recycling plant.

2.2. WASTE MANAGEMENT(LANDFILL SITE)

INTRODUCTION TO WASTE MANAGEMENT (NEW ENGLAND LANDFILL SITE)

The New England Road Landfill Site is permitted to continue operating until it reaches a maximum height of 652 meters above sea level. The current height of the landfill site is approximately within 5% of that limit. The life span is estimated to be at 6 to 10 years at the current rate of waste disposal. The volume that we still need to fill is approximately 1.3 million M3.

THE MAIN CONSIDERATIONS INCLUDE:

One of the top three priorities remain the Landfill Site (allied with the waste minimisation and diversion programme), improved refuse collection and the central business district cleaning and cleansing in the quest to revive Pietermaritzburg in terms of strategic waste management.

During the 2020/2021 Financial Year there was a huge fire that engulfed the City of Pietermaritzburg, The Municipal local firefighters and the Durban team that reinforced the staff were able to quell the fire and assess the damage and put measures in place that will assist the Landfill Site in case of another emergency.

The Municipal Manager during the Financial year introduced the Landfill Site Template to track progress on matters relating to the landfill site.

INTERVENTIONS FOR THE NEW ENGLAND LANDFILL SITE							
Number	Responsible Person	Challenge Indicator	Interventions	Activities	Start Date	End Date	PROGRESS TO DATE
SHORT TERM INTERVENTIONS							
1	Chief Financial Officer SM: Assets & Liabilities	Shortages of earth moving yellow plant.	Procurement of Yellow Plant	(i) SCM Procurement process (Bid Specification Committee)	(i)01/07/2020	(i)31/07/2020	Advert for the procurement of Landfill compactor out, the procurement of Crawler mounted excavator ,Front end loader being procured through RT-57 transversal contract and procurement process started through the registration
				(ii) Bid Evaluation Committee	(ii)01/10/2020	(ii)30/10/2020	

INTERVENTIONS FOR THE NEW ENGLAND LANDFILL SITE							
Number	Responsible Person	Challenge Indicator	Interventions	Activities	Start Date	End Date	PROGRESS TO DATE
				(iii) Tender adjudication	(iii)01/12/2020	(iii)15/12/2020	of contract to the regulating authority and requirement for the spending of MIG Funding.
2	GM: Community Services SM: Waste Management i.c.w. GM: Corporate Services SM: Legal Services	Memorandum of Understanding	Msunduzi to enter into an MOU with neighbouring municipalities who are using this site, to use their plants on demand.	(i)Drafting of MOU for all neighbouring municipalities disposing at the New England Landfill	(i)06/08/2020	(i)14/08/2020	The document has been finalised and vetted by the legal through corporate services. Next step is adoption and presentation of MOU.
				(ii)Presenting of MOU to all stakeholder municipalities	(ii)17/08/2020	(ii)21/08/2020	
				(iii) Adoption and implementation of MOU	(iii)04/09/2020	(iii)04/09/2020	NB: Legal will support Business going forward but SM: Waste will be responsible for processing the vetted MOU to relevant structures
3	Skills Development Coordinator: Mr D Govender	Human Resource Challenges and limited capacity of staff to deal with the Landfill site.	Procurement of required capacity	Identify staff internally who meet required post requirements [via Skills Audit]		By 30 September 2020	Skills development unit has met with business unit and sourced clarity in terms of challenge as sited in the ministerial

INTERVENTIONS FOR THE NEW ENGLAND LANDFILL SITE

Number	Responsible Person	Challenge Indicator	Interventions	Activities	Start Date	End Date	PROGRESS TO DATE
	HRM Community Services: Mr Mzobe			Consult and confirm 3 internal candidates with relevant qualifications who might be interested in the Landfill Site operations on secondment basis. In turn they are to impart knowledge and skills to Management at the Landfill Site	01 October 2020	31 October 2020	Met with one identified employee on 1 October 2020 but he refused to assist at Landfill Site. Two more will be approached and if they also refuse, then other options will be explored including getting external assistance from suitably qualified persons
	HRM Community Services: Mr Mzobe			Consult with Management of Landfill Site to solicit buy-in in accepting the secondees so that they can be able to get capacitated to better manage the operations	01 October 2020	31 October 2020	This is dependent on the success of the above
	HRM Community Services: Mr Mzobe			Deal with the necessary paper work and submit for approval in terms of the Secondment Policy	01 October 2020	31 October 2020	This is dependent on the success of the above

INTERVENTIONS FOR THE NEW ENGLAND LANDFILL SITE

Number	Responsible Person	Challenge Indicator	Interventions	Activities	Start Date	End Date	PROGRESS TO DATE
	SM: Waste Management i.c.w. SM: Human Resources			If there are no qualifying incumbents for internal transfers, request dispensation to advertise externally from Accounting Officer		1 October to 31 December 2020	N/A
	SM: Human Resources			Advertise and Recruit new qualifying incumbents		1 October to 31 December 2020	N/A
	GM: CS i.c.w City Manager			Appoint new qualifying incumbents		1-Jan-21	N/A
4	GM: Community Services SM: Waste Management	Formalisation and development of waste pickers committee	Development of business plan	(i)Demarcation of a recycling area for use by waste pickers within the New England Landfill site	(i)06/08/2020	(i)31/08/2020	Data base for waste pickers does exist, and the requests in a form of funding applications have been sent and the municipality is awaiting results of application. This funding will fund the infrastructure related to waste minimisation programme within the landfill recycling demarcated area. An existing waste minimisation programme is being

INTERVENTIONS FOR THE NEW ENGLAND LANDFILL SITE							
Number	Responsible Person	Challenge Indicator	Interventions	Activities	Start Date	End Date	PROGRESS TO DATE
							developed in order to feed recyclables straight to the landfill.
5	GM: Community Services SM: Public Safety, Enforcement & Emergency Services	Removal of illegal structures in the landfill buffer zone.	Engagement of SAPS, Home Affairs and other enforcement agencies to implement a massive operation to remove illegal occupiers.	(i)SAPS, SANDF, Msunduzi Security and Department of Home Affairs to randomly implement joint operations.	(i)06/08/2020	(i)31/08/2020	Two operations have already been conducted in terms of removal of illegal structures within the landfill buffer zone.
6	GM: Community Services SM: Public Safety, Enforcement & Emergency Services	Criminal activities within the Landfill site.	Engagement of security and law enforcements to combat illegal gang activities.	(i) The declaration of the site as a “security zone”, fully equipped with modern camera systems and modern technology (through the extension of the safe city technology or “fire hawks”) and the deployment of 24hr municipal security.	(i)06/08/2020	(i)30/06/2021	Two operations have already been conducted in terms of curbing illegal activities at the landfill site and the buffer zone. Site is guarded by a Contracted Security Service Provider on 24/7
				(ii) Possible high level electrified fencing around the site, and other technology monitoring systems linked to the SAPS.	(ii)06/08/2020	(ii)30/06/2021	

INTERVENTIONS FOR THE NEW ENGLAND LANDFILL SITE							
Number	Responsible Person	Challenge Indicator	Interventions	Activities	Start Date	End Date	PROGRESS TO DATE
7	GM: Infrastructure Services SM: Water & Sanitation	Unavailability of fire extinguishing infrastructure	Design and implementation of the fire / hydrant extinguishing infrastructure network.	(i)Design of the hydrant infrastructure network	(i)06/08/2020	(i)16/10/2020	Three Hydrants have been resuscitated in terms of an existing network of fire water hydrants. An additional installation of four hydrants is being undertaken internal by resident landfill manager. Testing for pressure is being commissioned through the fire section.
	GM: Infrastructure Services SM: Water & Sanitation			(ii)Procurement of the required materials, equipment and services	(ii)19/10/2020	(ii)28/02/2021	
	GM: Community Services SM: Public Safety, Enforcement & Emergency Services			(iii) Commissioning of the infrastructure.	(iii)01/03/2021	(31/05/2021	
LONG TERMS INTERVENTIONS							
8	GM: Sustainable Development & City Entities SM: Town Planning & Environmental Management	Limited lifespan of the current New England Landfill	Identification, commissioning and purchase of the new landfill site.	(i)Identification of a new landfill site	(i)06/08/2020	(i)30/11/2020	Funding applications for the proposed new landfill site has been final in terms of proposals into the application for funding. The municipality is currently awaiting funding results.
	GM: Sustainable Development & City Entities SM: Town Planning & Environmental Management			(ii)Commissioning of feasibility study	(ii)01/12/2020	(ii)31/01/2021	

INTERVENTIONS FOR THE NEW ENGLAND LANDFILL SITE							
Number	Responsible Person	Challenge Indicator	Interventions	Activities	Start Date	End Date	PROGRESS TO DATE
	GM: Community Services SM: Waste Management			(iii)Purchase of the new landfill site	(iii)01/02/2021	(iii)30/06/2021	

SERVICE STATISTICS FOR WASTE MANAGEMENT (NEW ENGLAND LANDFILL SITE)

WASTE DISPOSAL SERVICES (NEW ENGLAND LANDFILL SITE) STATISTICS				
DESCRIPTION	2017/2018	2018/2019	2019/2020	2020/2021
	TONS	TONS	TONS	TONS
Waste Disposal per Category				
Builders Rubble	66 448	42 854	16 216	59204.00 T 59205
Bulk Food Waste	476	321	195	Not accepted
Garden Refuse	8 175	10 759	12 854	125 204.99 T
General Domestic Waste	26 702	28 138	25 351	Stats not avail
Industrial Ash	33 219	35 423	38 686	Stats not avail
Sawdust	0	125	140	Stats not avail
Cover Material	16 554	55 352	64 749	8 000 M ³
Wood waste	97	70	0	Stats no avail
TOTAL	151 671	173 042	158 181	

EMPLOYEE INFORMATION – WASTE MANAGEMENT SERVICE (NEW ENGLAND LANDFILL SITE)

EMPLOYEE: LANDFILL SITE - WASTE DISPOSAL SERVICES					
Job Level	2019/2020	2020/2021			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents No.)	Vacancies (as a % of total posts) %
T01–T03	8	13	7	6	46
T04-T08	9	11	9	2	18
T09–T13	6	6	5	1	17
T14-T18	1	1	1	0	0
T19-T22	0	0	0	0	0
T23-T25	0	0	0	0	0
Total	24	31	22	9	29

FINANCIAL PERFORMANCE – WASTE MANAGEMENT SERVICE (NEW ENGLAND LANDFILL SITE)

FINANCIAL PERFORMANCE 2020/2021: LANDFILL SITE - WASTE DISPOSAL SERVICES					
R'000					
Details	2019/2020	2020/2021			
	Actual	Original Budget	Adjustment Budget	Actual	Variances to Adjusted Budget %
Total Operational Revenue (excl. tariffs)	-22,716	-40 798	-40 798	-37 631	92%
Expenditure:					
Employees	468	929	929	248	27%
Repairs and Maintenance	1,595	3 200	3 200	2 500	78%
Other	6,643	18 907	15 876	7 675	40%
Total Operational Expenditure	8,706	23 037	20 005	10 423	52%
Net operational (Service) Expenditure	-14,010	-17 761	-20 793	-27 208	-131%
Variances are calculated as follows: Actual expenditure – Adjusted budget divided by the Adjusted budget x 100.					

CAPITAL EXPENDITURE – WASTE MANAGEMENT SERVICE (NEW ENGLAND LANDFILL SITE)

CAPITAL EXPENDITURE 2020/2021: LANDFILL SITE - WASTE DISPOSAL SERVICES					
R'000					
Details	2020/2021				
	Budget	Adjustment Budget	Actual Expenditure	Variances to Adjusted Budget %	Total Project Value
Total All					
MIG:ZA:LANDFILL UPGRADE	2 287	2 287	1 933	85%	2 287 316,00
LEVS:ZA:CONSTR OF ROADS LANDILL SITE	5 000	5 000	7 815	156%	5 000 000,00
Project C					
Project D					

WASTE MANAGEMENT SERVICE POLICY OBJECTIVES TAKEN FROM THE IDP

WASTE MANAGEMENT															
SDBIP REFERENCE	PERFORMANCE REPORTING 2019/2020 FY - ANNUAL PROGRESS REPORT			SDBIP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	BASELINE / STATUS QUO	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL 2019/2020 FY PROGRESS REPORT								ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)						ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
WM01	Refuse collection completed once a week for all households within Msunduzi Municipality for the 19/20 FY by the 30th of June 2020	Refuse collection completed once a week for all households within Msunduzi Municipality for the 19/20 FY by the 30th of June 2020	1 (69% & below)	WM01	NKPA 2 - BASIC SERVICE DELIVERY	Percentage of households with access to basic refuse collection.	20 x Bulk Steel (25m3) Refuse Collection Containers purchased	NIL	1 x Weekly Refuse Removal provided per month for Msunduzi Households as per Refuse Collection Schedule by the 30th of June 2021	1 x Weekly Refuse Removal provided per month for Msunduzi Households as per Refuse Collection Schedule by the 30th of June 2021	3 (100% - 129%)	N/A	N/A	N/A	Copy of the waste collection schedules, EW COP Vehicle tracking reports, indigent registers
	100 000 000.00	N/A	N/A						1 000 000	N/A	N/A	N/A	N/A	N/A	

WASTE MANAGEMENT															
SDBIP REFERENCE	PERFORMANCE REPORTING 2019/2020 FY - ANNUAL PROGRESS REPORT			SDBIP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	BASELINE / STATUS QUO	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL 2019/2020 FY PROGRESS REPORT								ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)						ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
N/A	N/A	N/A	N/A	WM02	NKPA 2 - BASIC SERVICE DELIVERY	Percentage of Households with Access to Free basic Refuse collection service	10 x Bulk Steel (8m3) Refuse Collection Containers purchased	NIL	20 x Bulk Steel (25m3) Refuse Collection Containers purchased by the 30th of June 2021	0 x Bulk Steel (25m3) Refuse Collection Containers purchased by the 30th of June 2021	1 (69% & below)	Service Providers were non-responsive for the first BID and the bid was re-advertised and an award has been made pending the appeals 14 days period.	Re-advertised the specification.	Has already been implemented	Copy of the Award letter
N/A	N/A	N/A	R2 500 000							N/A	N/A	N/A	N/A		

WASTE MANAGEMENT															
SDBIP REFERENCE	PERFORMANCE REPORTING 2019/2020 FY - ANNUAL PROGRESS REPORT			SDBIP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	BASELINE / STATUS QUO	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL 2019/2020 FY PROGRESS REPORT								ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)						ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
N/A	N/A	N/A	N/A	WM03	NKPA 2 - BASIC SERVICE DELIVERY	New England Landfill Compliance to the Landfill Operational Licence	100 x Concrete Street Litter bins purchased	NIL	10 x Bulk Steel (8m3) Refuse Collection Containers purchased by the 30th of June 2021	0 x Bulk Steel (8m3) Refuse Collection Containers purchased by the 30th of June 2021	1 (69% & below)	Service Providers were non-responsive for the first BID and the bid was re advertised and an award has been made pending the appeals 14 days period.	Readvertised the specification.	Has already been implemented	Copy of the Award letter
N/A	N/A	N/A	R 300 000							N/A	N/A	N/A	N/A	N/A	
N/A	N/A	N/A	N/A	WM04	NKPA 2 - BASIC SERVICE DELIVERY	New England Landfill Compliance to the Landfill Operational Licence	26 x Bulk Steel (15m3) Refuse Collection Containers purchased	NIL	100 x Concrete Street Litter bins purchased by the 30th of June 2021	0 x Concrete Street Litter bins purchased by the 30th of June 2021	1 (69% & below)	Bid currently at BID Evaluation stage.	Readvertised the specification.	Has already been implemented	Evaluation
N/A	N/A	N/A	R 300 000							N/A	N/A	N/A	N/A	N/A	

COMMENT ON WASTE MANAGEMENT SERVICE (NEW ENGLAND LANDFILL SITE) PERFORMANCE OVERALL

Funding applications for the proposed new landfill site has been final in terms of proposals into the application for funding. The municipality is currently awaiting funding results.

Advert for the procurement of Landfill compactor out, the procurement of Crawler mounted excavator ,Front end loader being procured through RT-57 transversal contract and procurement process started through the registration of contract to the regulating authority and requirement for the spending of MIG Funding

2.3. AREA BASED MANAGEMENT

INTRODUCTION TO AREA BASED MANAGEMENT

Thus, Area Based Management ensures that all community complaints received are referred to the relevant departments and/ or Customer services within two (2) working days and community member receives assistance from the municipal departments. The War Room functionality, responds to community disputes and interact between department and communities, the Public Participation policy is annually reviewed in all thirty nine (39) wards,

ORGANIZATIONAL UNITS WITHIN AREA BASED MANAGEMENT

- Halls
- HIV/AIDS
- Social Services
- Area Based Units
- Edendale Areas
- Eastern, Ashburton and Central Areas
- Northern Areas
- Imbali Areas and
- Vulindlela Areas

Halls

Unit responsible for the provision of New Halls and the repair and maintenance of Halls. The last time, there was a budget for repairs and maintenance is the financial year 2015/16, this year 2020/2021 there was a budget which quickly taken away.

HIV/AIDS

Conduct HIV/AIDS training, Education, Counselling and Support Programs. All these programs are community based, and with COVID-19, there was been a difficulty to provide such services.

Social Services

Provision of Counselling services. Counselling service include school and group visits which could not be conducted due to COVID-19 regulations.

5 Area Based Units

Project and programme management. Evaluating and communication of deliverable to the communities and relevant stakeholders. Accelerating the service delivery, social and economic status of the communities through participation and involvement in their own development is realized. This is mainly community based and due to COVID-19 regulations most of it was done internally through desk top.

SERVICE STATISTICS FOR AREA BASED MANAGEMENT

5 x Ten Days HIV/AIDS Counselling Course Training conducted as per Training Schedule in the 20/21 FY by 30th of June 2021

HIV/AIDS and Social Support Programmes in the 20/21 FY coordinated by the 30th of June 2021

Ward visits conducted in the 20/21 FY to support HIV&AIDS Groups by the 30th of June 2021

EMPLOYEE INFORMATION – AREA BASED MANAGEMENT

EMPLOYEE: AREA BASED MANAGEMENT					
Job Level	2019/2020	2020/2021			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents No.	Vacancies (as a % of total posts) %
T01–T03	16	55	15	40	73
T04-T08	13	54	13	41	76
T09–T13	27	55	27	28	51
T14-T18	6	6	6	0	0
T19-T22	1	1	0	1	100
T23-T25	0	0	0	0	0
Total	63	171	61	110	64

FINANCIAL PERFORMANCE – AREA BASED MANAGEMENT

FINANCIAL PERFORMANCE 2020/2021: AREA BASED MANAGEMENT					
Details	R'000				
	2019/2020	2020/2021			
	Actual	Original Budget	Adjustment Budget	Actual	Variances to Adjusted Budget %
Total Operational Revenue (excl. tariffs)	-5,884	-1 038	-1 038	-2 887	-278%
Expenditure:					
Employees	30,611	29 377	29 377	24 717	84%
Repairs and Maintenance	47	308	308	130	42%
Other	11,178	2 692	2 670	2 217	83%
Total Operational Expenditure	41,836	32 377	32 355	27 064	84%
Net operational (Service) Expenditure	35,952	31 339	31 317	24 177	77%

CAPITAL EXPENDITURE – AREA BASED MANAGEMENT

CAPITAL EXPENDITURE 2020/2021: AREA BASED MANAGEMENT					
					R'000
Details	2020/2021				
	Budget	Adjustment Budget	Actual Expenditure	Variances to Adjusted Budget %	Total Project Value
Total All					
Project A					
Project B	NIL	NIL	NIL	NIL	NIL
Project C					
Project D					

POLICY OBJECTIVES TAKEN FROM THE IDP – AREA BASED MANAGEMENT

AREA BASED MANAGEMENT															
SDBIP REFERENCE	PERFORMANCE REPORTING 2019/2020 FY - ANNUAL PROGRESS REPORT			SDBIP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	MEASURABLE OBJECTIVE	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL 2019/2020 FY PROGRESS REPORT								ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4, 5, Not Applicable)						ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4, 5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
ABM01	Community complaints received referred to customer services and departments within 2 days of receipt of the complaint /s by ABM by the 30th of June 2020	Community complaints received referred to customer services and departments within 2 days of receipt of the complaint /s by ABM by the 30th of June 2020	3 (100% - 129%)	ABM01	NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION	Public Participation	156 x road safety awareness sessions conducted	Community complaints received referred to customer services and departments within 2 days of receipt of the complaint /s by ABM	Community complaints received referred to customer services and departments within 2 days of receipt of the complaint /s by ABM by the 30th of June 2021	Community complaints received referred to customer services and departments within 2 days of receipt of the complaint /s by ABM by the 30th of June 2021	3 (100% - 129%)	N/A	N/A	N/A	Complaints file
	N/A	N/A	N/A						N/A	N/A	N/A	N/A	N/A		

AREA BASED MANAGEMENT															
SDBIP REFERENCE	PERFORMANCE REPORTING 2019/2020 FY - ANNUAL PROGRESS REPORT			SDBIP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	MEASURABLE OBJECTIVE	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL 2019/2020 FY PROGRESS REPORT								ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4, 5, Not Applicable)						ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4, 5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
ABM02	39 x ward plans for Msunduzi Municipality reviewed and submitted to SMC by the 28th of February 2020	39 x ward plans for Msunduzi Municipality reviewed and submitted to SMC by the 28th of February 2020	3 (100% - 129%)	ABM02	NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION	Public Participation	4 x Quarterly Reports on the fire arm verification conducted	39 x ward plans for Msunduzi Municipality reviewed and submitted to SMC	39 x ward plans for Msunduzi Municipality reviewed and submitted to SMC by the 30th of June 2021	39 x ward plans for Msunduzi Municipality reviewed and submitted to SMC by the 30th of June 2021	3 (100% - 129%)	N/A	N/A	N/A	Ward plans file
	N/A	N/A	N/A						N/A	N/A	N/A	N/A	N/A	N/A	

AREA BASED MANAGEMENT															
SDBIP REFERENCE	PERFORMANCE REPORTING 2019/2020 FY - ANNUAL PROGRESS REPORT			SDBIP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	MEASURABLE OBJECTIVE	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL 2019/2020 FY PROGRESS REPORT								ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4, 5, Not Applicable)						ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4, 5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
ABM03	4 x OSS functionality reports for the 19/20 FY produced and submitted to The Office of the Mayor and District Council by the 30th of June 2020	0 x OSS functionality reports for the 19/20 FY produced and submitted to The Office of the Mayor and District Council by the 30th of June 2020	1 (69% & below)	ABM03	NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION	Effective mechanisms, processes and procedures for Community Participation	2 x Physical Fire arm verifications conducted	4 x OSS functionality quarterly reports for the 20/21 FY produced and submitted to the Office of the Mayor and District Council	4 x OSS functionality quarterly reports for the 20/21 FY produced and submitted to the Office of the Mayor and District Council by the 30th of June 2021	4 x OSS functionality quarterly reports for the 20/21 FY produced and submitted to the Office of the Mayor and District Council by the 30th of June 2021	3 (100% - 129%)	N/A	N/A	N/A	OSS file
	N/A	N/A	N/A						N/A	N/A	N/A	N/A	N/A		

AREA BASED MANAGEMENT															
SDBIP REFERENCE	PERFORMANCE REPORTING 2019/2020 FY - ANNUAL PROGRESS REPORT			SDBIP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	MEASURABLE OBJECTIVE	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL 2019/2020 FY PROGRESS REPORT								ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4, 5, Not Applicable)						ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4, 5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
ABM04	1 x public participation on policy presentations conducted in the 19/20 FY for each of the 39 ward committees of council by the 31st of March 2020	1 x public participation on policy presentations conducted in the 19/20 FY for each of the 39 ward committees of council by the 31st of March 2020	3 (100% - 129%)	ABM04	NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION	Public Participation	2 x Fire Arm Training / Fire Arm Refresher Courses conducted	1 x public participation on policy presentations conducted in the 20/21 FY for each of the 39 ward committees of council	1 x public participation on policy presentations conducted in the 20/21 FY for each of the 39 ward committees of council by the 31st of March 2021	1 x public participation on policy presentations conducted in the 20/21 FY for each of the 39 ward committees of council by the 31st of March 2021	3 (100% - 129%)	N/A	N/A	N/A	Public policy file
	N/A	N/A	N/A						N/A	N/A	N/A	N/A	N/A		

COMMENT ON THE PERFORMANCE OF AREA BASED MANAGEMENT OVERALL

From looking at the service statistic there has been very successful despite the COVID – 19 issues and regulations. The only deviations has been not being able to provide 11 Ten Days Counselling Course, however were able to do 80%. The original budget had funds for repairs and maintenance of Halls, however that whole budget was remove and this the 4th year were there is a zero budget for Halls repairs and maintenance.

Deficiencies Budget for halls, Staff shortage, City Hall and Facilities moving to ABM.

Forward planning the complete the Master Plan for halls and application for funding for halls repairs and maintenance, filling of vacant positions, Master Plan for City Hall.

2.4. RECREATION & FACILITIES

INTRODUCTION TO RECREATION AND FACILITIES

Recreation and Facilities comprises of the following core functional areas:

- Parks Management (Horticulture, flora and fauna and arboriculture)
- Sports & Recreation Management
- Cemeteries & Crematoria
- Conservation & Environment
- Library Services-Community Outreach Programmes
- Maintenance of Council Buildings and Facilities

SERVICE DELIVERY PRIORITIES

Libraries

- Internet – assistance to matriculants and community members
- Mobile Library – Services respective communities (including seniors)
- Partnership with Afrisan to build a new Library in Copesville
- Horticulture
- Lack of tools of Trade – Brush cutters and slashers. Grass uncut.

Cemeteries

- Repairs to 2 Mountain Rise Cremators, Identification of new burial space

Buildings & Facilities

- Construction of Athletic Track, Outdoor Gyms

ORGANIZATIONAL UNITS WITHIN RECREATION AND FACILITIES

BIO-DIVERSITY & NATURE CONSERVATION

Maintenance and development of conservation areas and environmental management plan the unit comprises of the Management of the Bisley Nature, Ferncliffe Reserves and Ketelfontein Grassland Conservancy Area in terms of National Environmental Management: Biodiversity Act [Act 10 of 2004].

HORTICULTURE, ARBORICULTURE AND LANDSCAPING

Management, maintenance and development of Parks, open spaces, play lots, verges. Horticultural practices which includes, beautifying, landscaping of cities islands, city entrances, maintenance of surrounds and gardens at council buildings e.g. halls and libraries. Develops new parks. Provides plant material for the entire city by operating a nursery. Manage grass cutting in parks, public open spaces and verges.

CEMETERIES & CREMATORIUMS

Manage, administer and develop Cemeteries and Crematoriums. Plans and implements the development of new cemeteries and crematoria. Prepares burial sites for burial. Manage the pauper burials within Msunduzi municipality. Maintains the cemeteries by cutting grass. Enforces the cemeteries and crematoria by-laws.

LIBRARIES

There are eleven libraries within the Msunduzi Municipal Library Services, the main Bessie Head Library and ten branch libraries. The Bessie Head Library has a wide range of resources including books, large-print books, newspapers and periodicals, audio books, DVDs, videos, music CDs and scores, and CD ROMs for all age groups. Within the branch libraries: there are three large libraries, Northdale, Georgetown and Eastwood and seven smaller ones, Ashburton, Woodlands, Sobantu, Ashdown, Vulindlela, Elandskop and Alexandra Library.

The branch libraries offer a smaller range of materials than is available at the main library but make every effort to meet the needs of the communities they serve. A limited Adult Reference service is available at Northdale, Georgetown and Eastwood libraries. Georgetown provides a study area and a Travelling Library service to schools.

SPORT AND RECREATION

Manage maintenance and development of all municipal sports facilities and swimming pools plus the promotion and development of sports and recreation. Coordination of major sporting events. Development of new sporting facilities. Prepares sports venues for major events. Coordinators sports development.

BUILDINGS AND FACILITIES

This unit is responsible for the maintenance and upgrades of council's buildings as well as for new building related projects, planned and reactive maintenance work to Council owned buildings.

MAINTENANCE	FOCUS AREAS
Electrical Maintenance	Repairs/installations to lights, plug points, distribution boards, etc.
Mechanical Maintenance	Repairs/installations of Air-conditioners, Lifts, water pumps, generators, etc.
Quantity Surveying	Preparation of estimates, Bill of Quantities, etc.
Works Inspectors	Project monitoring, site and building inspections
Architectural Technologist	Preparing drawings/sketches for minor maintenance work.
Project Manager	Managing of all building related projects.
Plumbers, carpenters, General workers (located at the Depot)	Attending to all reactive in house work at a rate & standard.

SERVICE STATISTICS FOR RECREATION AND FACILITIES

BIO-DIVERSITY & NATURE CONSERVATION

Identification and Eradication of Alien Invasive Species. Working in collaboration with Working on Fire (WOF) to effect fire-breaks. Maintenance of public open spaces within townlands areas. Manage and maintain the Bisley Nature Reserve including the well being of the animals.

Challenges at the Bisley Nature Reserve:

- There is an overbreeding of animals, particularly Giraffes and Zebras in the nature reserve which has resulted in an excess of the nature reserves carrying capacity.
- The Bisley Nature Reserve is in need of fencing to ensure that animals are unable to leave the reserve.
- Alien invasive plants is a concern.
- Fencing of Bisley Nature reserves is still proving a challenge for the Municipality

HORTICULTURE, ABORTICULTURE AND LANDSCAPING

DESCRIPTION	NUMBER	AREA (M2)
PARKS	16	1 319 800
OPEN SPACES	133	4 002 000
TOWNLANDS AREA	-	730000
PLAYLOTS	14	931 600
TRAFFIC ISLANDS	21	321 780
MAIN ARTERIAL ROUTES	30	4 588 400
VERGES TOTAL	-	12 456 749
CENTRAL	-	3 424 329 Square meters
NORTH	-	6 882 420 square meters
WEST	-	2 150 000 square meters

CEMETERIES & CREMATORIIUMS

CLOSED CEMETERIES

- Commercial Road Cemetery
- Roberts Road Cemetery
- Georgetown Cemetery
- Slangspruit Cemetery
- Moses Mabhida (Heroes Acre)
- Dambuza (Madlelengileni)
- Azalea Cemetery

OPERATING CEMETERIES

- Sinathing Cemetery
- Mountain Rise Cemetery
- Willowfountein Community Cemetery
- Two crematoriums are currently operational

LIBRARIES

Membership Statistics - All libraries were closed from 24 March 2020 to 30 September 2021

Statistics only reflect from 01 October 2020 to 30 June 2021

Library	Adult	Children	Young Adult	Total
Bessie Head	50716	27491	10124	88331
Mobile Services	99	104	80	283
Northdale	8361	8366	4607	21334
Eastwood	3878	5523	1895	11296
Woodlands	2771	4871	1501	9163
Georgetown	1236	3002	1367	5605
Ashburton	2085	2054	1050	5189
Sobantu	1290	2020	1066	4376
Alexandra	1382	1595	645	3622
Ashdown	891	1735	807	3433
Mafunze	140	149	124	413
Slangspruit	463	860	358	1681
Elandskop	506	1708	329	2543

Issue Statistics – All libraries were closed from 24 March 2020 to 30 September 2021

Statistics only reflect from 01 October 2020 to 30 June 2021

Library	Statistics includes Adult, Children and Young adult and Mobile Services
Bessie Head	45682
Northdale	21331
Eastwood	5515

SPORT AND RECREATION

Total number of Sports Facilities – 65

Total number of pools – 7

EMPLOYEE INFORMATION – RECREATION AND FACILITIES

EMPLOYEE: RECREATION & FACILITIES					
ART GALLERY, BIO-DIVERSITY AND LANDSCAPE, CEMETERIES & CREMATORIUMS, LIBRARIES & SPORT AND RECREATION					
Job Level	2019/2020	2020/2021			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents No.	Vacancies (as a % of total posts) %
T01–T03	369	673	360	313	47
T04-T08	174	300	167	133	44
T09–T13	63	86	64	22	26
T14-T18	10	13	8	5	38
T19-T22	1	1	1	0	0
T23-T25	0	0	0	0	0
Total	617	1073	600	473	44

FINANCIAL PERFORMANCE – RECREATION AND FACILITIES

FINANCIAL PERFORMANCE 2020/2021: RECREATION & FACILITIES					
					R'000
ART GALLERY, BIO-DIVERSITY AND LANDSCAPE, CEMETERIES & CREMATORIUMS, LIBRARIES & SPORT AND RECREATION					
Details	2019/2020	2020/2021			
	Actual	Original Budget	Adjustment Budget	Actual	Variances to Adjusted Budget %
Total Operational Revenue (excl. tariffs)	-13,332	-48 207	-48 207	-25 099	52%
Expenditure:					
Employees	154,946	205 715	205 715	206 393	100%
Repairs and Maintenance	11,634	10 733	10 733	5 294	49%
Other	35,699	93 107	95 670	124 453	130%
Total Operational Expenditure	202,299	309 555	312 118	336 140	108%
Net operational (Service) Expenditure	188,967	261 348	263 911	311 041	118%
Variances are calculated as follows: Actual expenditure – Adjusted budget divided by the Adjusted budget x 100.					

CAPITAL EXPENDITURE – RECREATION AND FACILITIES

CAPITAL EXPENDITURE 2020/2021: RECREATION & FACILITIES					
					R'000
ART GALLERY, BIO-DIVERSITY AND LANDSCAPE, CEMETERIES & CREMATORIIUMS, LIBRARIES & SPORT AND RECREATION					
Details	2020/2021				
	Budget	Adjustment Budget	Actual Expenditure	Variances to Adjusted Budget %	Total Project Value
Total All					
MIG:Z2:WARD 15 COMMUNITY HALL	42	42	37	88%	
MIG:Z4:WARD 18-COMMUNITY HALL	56	56	48	86%	
MIG:Z1:WARD 7 COMMUNITY HALL	172	172	150	87%	
MIG:Z5:WARD 29 COMMUNITY HALL	361	361	327	91%	
MIG:Z1:WARD 8 COMMUNITY HALL	635	635	553	87%	
MIG:Z3:WARD 13 COMMUNITY HALL	1 000	1 000	870	87%	
MIG:Z5:MADIBA COMMUNITY HALL	849	849	723	85%	
LEVS:Z1:COMMUNITY HALL WARD 5	1 000	1 000	0	0%	
LEVS:Z1:COMMUNITY HALL WARD 7	2 500	2 500	0	0%	
LEVS:Z1:COMMUNITY HALL WARD 8	3 000	3 000	0	0%	
LEVS:Z5:COMMUNITY HALL WARD 34	1 000	1 000	0	0%	
LEVS:Z5:COMMUNITY HALL WARD 38	2 500	2 500	0	0%	
LEVS:ZA:PPE-MACHINERY & EQUIP	1 450	1 450	839	58%	
LEVS:ZA:NEW:TRANSPORT ASSETS	1 500	1 500	390	26%	
"LEVS:ZA:REVITATION OF ALEX&RA PARK	450	450	148	33%	
LEVS:Z1:COMMUNITY HALL WARD 8	3 000	3 000	0	0%	
LEVS:Z5:COMMUNITY HALL WARD 34	1 000	1 000	0	0%	
LEVS:Z5:COMMUNITY HALL WARD 38	2 500	2 500	0	0%	
LEVS:ZA:DEVELOPMENT OF CEMETERY	4 500	4 500	3 350	74%	
MIG:Z5: REHAB OF MOUNTAIN RISE	0	0	1 178	1178%	
LEVS:ZA:FENCING BISLEY NATURE RESERVE	3 300	3 300	788	24%	
MIG:Z5:SWEETW DUAL PURPOSE SPORT	0	0	250	250%	
CLSG:AH:NEW MACHINERY & EQUIPM	164	164	164	100%	
CLSG:AH:NEW TRANSPORT ASSETS	737	737	737	100%	
ART:AH:COMPUTER EQUIPMENT	2 712	2 712	0	0%	
ART:AH:COMPUTER EQUIPMENT	-82	-82	2 629	-3206%	
ART:AH:NEW FURNITURE & OFFICE EQUIP	1 000	1 000	170	17%	
ART:Z4:UPGR LIBRARY RENOVATIONS	4 181	4 181	2 181	52%	
<p>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate)</p> <p>Variances are calculated as follows:</p> <p>Actual expenditure – Adjusted budget divided by the Adjusted budget x 100.</p>					

RECREATION AND FACILITIES POLICY OBJECTIVES TAKEN FROM THE IDP

RECREATION & FACILITIES															
SDBIP REFERENCE	PERFORMANCE REPORTING 2019/2020 FY - ANNUAL PROGRESS REPORT			SDBIP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	BASELINE / STATUS QUO	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL 2019/2020 FY PROGRESS REPORT								ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5 , Not Applicable)						ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5 , Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
R & F 01	Grass cut once per month in 29 wards a season (September 2019 - May 2020) as per grass cutting schedule by the 31st of May 2020	Grass not cut once per month in 29 wards	1 (69% & below)	R & F 01	NKPA 2 - BASIC SERVICE DELIVERY	Grass Cutting - Municipal Wards	Grass cut once per month in 29 wards a season as per grass cutting schedule	3 cuts in 29 wards per grass cutting season	Grass cut once per month in 29 wards a season as per grass cutting schedule (September 2020 - May 2021) by the 31st of May 2021	Grass cut once per month in 22 Wards a season as per grass cutting schedule (September 2020 - May 2021) by the 31st of May 2021	2 (70% - 99%)	Lack of funding to pay for servicing of Brush cutters	Implement in the 2021/2022 budget	31-Aug-21	Grass cutting schedules
	190 000	N/A	N/A						N/A	N/A	N/A	N/A	N/A	N/A	N/A
R & F 02	10 islands and 11 main entrances into CBD maintained monthly as per maintenance schedule by the 30th of June 2020	5 islands 5 main entrances into CBD maintained	1 (69% & below)	R & F 02	NKPA 2 - BASIC SERVICE DELIVERY	Grass Cutting - Islands and Gardens	10 islands and 11 main entrances into the CBD maintained monthly	5 islands and 10 main entrances	10 islands and 11 main entrances into the CBD maintained monthly as per maintenance schedule by the 30 June 2021	9 islands and 11 main entrances maintained monthly as per maintenance schedule by the 30 June 2021	2 (70% - 99%)	Weeding completed but no budget for seedlings and low maintenance plants	Implement in the 2021/2022 budget	30 09 21	Grass cutting schedules , photos
	190 000	N/A	N/A						N/A	N/A	N/A	N/A	N/A	N/A	

RECREATION & FACILITIES															
SDBIP REFERENCE	PERFORMANCE REPORTING 2019/2020 FY - ANNUAL PROGRESS REPORT			SDBIP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	BASELINE / STATUS QUO	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL 2019/2020 FY PROGRESS REPORT								ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)						ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
R & F 04	5000 x Books purchased as per book buying policy from Provincial Arts and Culture by the 31st of May 2020	0 x Books purchased as per book buying policy from Provincial Arts and Culture by the 31st of May 2020	1 (69% & below)	R & F 03	NKPA 2 - BASIC SERVICE DELIVERY	Purchase of library material at Libraries	3000 x Library Books purchased	35 279 Books	3000 x Library Books purchased as per book buying policy and received by the 31st of May 2021	0 x Library Books purchased as per book buying policy and received by the 31st of May 2021	1 (69% & below)	Budget was removed for purchasing of books	Books to be purchased in 21/22 if Budget is made available	21/22	N/A
	1 000 000	N/A	N/A						R 2 000 000		N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	R & F 04	NKPA 2 - BASIC SERVICE DELIVERY	Modification at Parks Changerooms	2 x modified containers/park homes purchased	NIL	2 x modified containers/park homes (changerooms/toilet facilities) purchased and delivered by the 31st of December 2020	2 x modified containers/park homes (changerooms/toilet facilities) purchased and delivered	3 (100% - 129%)	N/A	N/A	N/A	Delivery Notes
N/A	N/A	N/A	N/A						R 500 000		N/A	N/A	N/A	N/A	N/A

COMMENT ON THE PERFORMANCE OF RECREATION AND FACILITIES OVERALL

Burial space is fast becoming scarce. The dispute regarding land in Hollingwood is yet to be resolved.

Two Crematoriums are operational. To acquire two new crematoriums once funds are available. The Municipality is currently utilising the outside non-fenced area as burial space

Book buying and renovations are ongoing projects but for the 2020/2021 Financial Year no books were bought by the Library because of no funding also Due to the Covid-19 pandemic all libraries were closed to the public from 24 March 2020 to 30 September 2020.

libraries re-opened for public access on 01 October 2020, access control was minimised in line with Covid-19 protocols and regulations.

There as being a lack of maintenance due to the lack of funding only preventative maintenance has been conducted. Athletic track is completed. Grading and Categorization of Venues is ongoing.

The unit has been performing relatively well on all new building projects. There is a challenge on most maintenance work due insufficient funds from requesting business units hence delays in executing maintenance work efficiently and processing purchase orders.

2.5. PUBLIC SAFETY ENFORCEMENT & EMERGENCY SERVICES

INTRODUCTION TO PUBLIC SAFETY, ENFORCEMENT & DISASTER MANAGEMENT.

The Public Safety Enforcement & Emergency Services unit is responsible primarily for disaster management, fire services, traffic and security services with the Msunduzi area of jurisdiction.

ORGANIZATIONAL UNITS WITHIN PUBLIC SAFETY, ENFORCEMENT & DISASTER MANAGEMENT.

DISASTER MANAGEMENT

Disaster Management falls under the Disaster Management Act 57 of 2002. The Act requires an integrated and effective response to disasters. Disaster Management aims to reduce the risk of disasters, mitigate the severity of disasters, plan and prepare for emerging crisis, events or disasters, respond rapidly and effectively to disasters and to implement post disasters recovery and rehabilitation by monitoring, integrating, co-ordinating the disaster risk management activities of all role-players. The overall implementation of Disaster Risk management initiatives is a shared responsibility of all employees, department, relevant external role-players and the participation of the community.

FIRE SERVICES

Fire services is responsible for as explained below:

- Fight or extinguish a fire and rescue of life or property from a fire or other danger:
- Prevent the outbreak and spread of fire and the protection of life or property from fire or other threatening danger:
- Basic fire and life safety training:

TRAFFIC SERVICES

The department has to regularly execute Warrants Roadblock Operations to recover money from outstanding Traffic fines

The weekends and Public Holidays are known for high accident scenes in the City emanating from the accidents due to drunken and driving, therefore the department together with other law enforcement agencies have regular joint operations to eliminate the number accidents and damage to property.

SECURITY SERVICES

The Security unit under the Public Safety department has a core function to protect and ensure safety within the Msunduzi Municipality; the key responsibilities for the Security unit are;

- Static Security Services is responsible for the safety of Council Property and personnel.
- Security Task Team which is responsible for the enforcement of Street Trading related By-Laws.
- Rapid Response Unit responsible for the illegal occupation Council Land and property
- Responding to the volatile situations in the Municipality.

SERVICE STATISTICS FOR PUBLIC SAFETY, ENFORCEMENT & DISASTER MANAGEMENT.

DISASTER MANAGEMENT

During the 2020/2021 financial year, a number of incidents of various types of disasters was attended to and as per below:

Total number of incidents: 261

Total number of People affected 3025

Total number of Families affected 1394

Total number of homeless: 976

Cost of relief in relation to emergency supplies: R 713 364,31

Total Number of Events attended 20 [REDUCED DUE COVID 19 REGULATIONS]

FIRE SERVICES

The below table reflects the statistics for the fire services unit:

FIRE SERVICE DATA					
	Details	2018/2019	2020/2021		2021/2022
		Actual No.	Estimate No.	Actual No.	Estimate No.
1	Total fires attended in the year	1 465	N/A	261	N/A
2	Total of other incidents attended in the year	290	N/A	20	N/A
3	Average turnout time – urban areas	17	17	152	17
4	Average turnout time – rural areas	33	33	109	33
5	Fire fighters in post at year end	81	141	19	141
6	Total fire appliances at year end	14	14	14	14
7	Average number fire appliances off the road at year end	5	2	5	2

TRAFFIC SERVICES

The below table reflects the statistics for the traffic services unit:

SERVICE STATISTICS FOR TRAFFIC SERVICES					
	Details	2019/2020	2020/2021		2021/2022
		Actual No.	Estimate No.	Actual No.	Estimate No.
1	Number of road traffic accidents during the year	1 328	N/A	1 350	N/A
2	Number of by-law infringements attended	48	60	182	N/A
3	Number of police officers in the field on an average day	+40	57	+40	57
4	Number of police officers on duty on an average day	+40	57	+40	57

SECURITY SERVICES

The below table reflects the statistics for the security services unit:

SERVICE STATISTICS FOR SECURITY					
No.	Details	2018/2019	2019/2020		2020/2021
		Actual No.	Estimate No.	Actual No.	Estimate No.
1	Number of SECURITY INCIDENTS during the year	147	210	141	210
2	Number of by-law infringements attended	1 300	1 400	1 475	181
3	Number of SECURITY officers in the field on an average day	87	80	85	90
4	Number of SECURITY officers on duty on an average day	87	80	85	90

EMPLOYEE INFORMATION – PUBLIC SAFETY ENFORCEMENT & EMERGENCY SERVICES

DISASTER MANAGEMENT, FIRE SERVICES, TRAFFIC & SECURITY					
Job Level	2019/2020	2020/2021			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents No.)	Vacancies (as a % of total posts) %
T01–T03	7	11	5	6	55
T04–T08	271	450	262	188	42
T09–T13	184	322	177	145	45
T14–T18	27	35	22	13	37
T19–T22	1	1	1	0	0
T23–T25	0	0	0	0	0
Total	490	819	467	352	43

FINANCIAL PERFORMANCE – PUBLIC SAFETY ENFORCEMENT & EMERGENCY SERVICES

FINANCIAL PERFORMANCE 2020/2021: PUBLIC SAFETY ENFORCEMENT & EMERGENCY SERVICES					
DISASTER MANAGEMENT, FIRE SERVICES, TRAFFIC & SECURITY					
Details	2020/2021	2021/2022			
	Actual	Original Budget	Adjustment Budget	Actual	Variances to Adjusted Budget %
Total Operational Revenue (excl. tariffs)	-14,684	-3 769	-4 961	-20 738	
Expenditure:					
Employees	246,774	272 236	272 236	241 974	89%
Repairs and Maintenance	1,152	2341	2341	1502	64%
Other	75,292	80 984	119 734	128 231	107%
Total Operational Expenditure	323,218	355 561	394 311	371 707	94%
Net operational (Service) Expenditure					

CAPITAL EXPENDITURE – PUBLIC SAFETY ENFORCEMENT & EMERGENCY SERVICES

CAPITAL EXPENDITURE 2020/2021: PUBLIC SAFETY ENFORCMENT & EMERGENCY SERVICES					
					R'000
DISASTER MANAGEMENT, FIRE SERVICES, TRAFFIC & SECURITY					
Details	2021/2020				
	Budget	Adjustment Budget	Actual Expenditure	Variances to Adjusted Budget %	Total Project Value
Total All					
Project A	NIL	NIL	NIL	NIL	NIL
Project B					
Project C					
Project D					
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate) Variances are calculated as follows: Actual expenditure – Adjusted budget divided by the Adjusted budget x 100.					

PUBLIC SAFETY ENFORCEMENT & EMERGENCY SERVICES POLICY OBJECTIVES TAKEN FROM THE IDP

PUBLIC SAFETY, FIRE AND DISASTER MAANGEMENT															
SDBIP REFERENCE	PERFORMANCE REPORTING 2019/2020 FY - ANNUAL PROGRESS REPORT			SDBIP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	BASELINE / STATUS QUO	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL 2019/2020 FY PROGRESS REPORT								ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5 , Not Applicable)						ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5 , Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
PSDM 01	156 x road safety awareness sessions conducted in the 19/20 FY by the 30th of June 2020	161 x road safety awareness session conducted in the Fy by the 30th of June 2020	3 (100% - 129%)	PSDM 01	NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT	Public Safety & Law Enforcement	156 x road safety awareness sessions conducted	168 Road Safety awareness campaigns conducted	156 x road safety awareness sessions conducted in the 20/21 FY by the 30th of June 2021	184 x road safety awareness session conducted in the 20/21 FY by the 30th June 2021	3 (100% - 129%)	N/A	N/A	N/A	School Road Safety & Education Report
	N/A	N/A	N/A						N/A	N/A	N/A	N/A	N/A	N/A	
PSDM 02	4 x Fire arm audits conducted in Compliance with Fire Arms Controls Act by the 30th of June 2020	0 x Fire arm audits conducted in Compliance with Fire Arms Controls Act	1 (69% & below)	PSDM 02	NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT	Public Safety & Law Enforcement	4 x Quarterly Reports on the fire arm verification conducted	4 x Quarterly Reports on the fire arm verification conducted in Compliance with Fire Arms Controls Act submitted to SMC	4 x Quarterly Reports on the fire arm verification conducted in Compliance with Fire Arms Controls Act submitted to SMC by the 30th of June 2021	1 x Quarterly Reports on the fire arm verification conducted in Compliance with Fire Arms Controls Act submitted to SMC by the 30th of June 2021	1 (69% & below)	All Firearms were returned from SAP on the 29th January 2021 and Verified by SAP	N/A	N/A	Awaiting Rport from SAP Report to SMC
	N/A	N/A	N/A						N/A	N/a	N/a	N/A	N/A	N/A	N/A

PUBLIC SAFETY, FIRE AND DISASTER MAANGEMENT															
SDBIP REFERENCE	PERFORMANCE REPORTING 2019/2020 FY - ANNUAL PROGRESS REPORT			SDBIP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	BASELINE / STATUS QUO	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL 2019/2020 FY PROGRESS REPORT								ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)						ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
PSDM 03	2 x Physical Fire arm verifications conducted on all arms and ammuniti on issued to Msunduzi Municipality staff by the 31st of March 2020	0 x Physical Fire arm verifications conducted on all arms and ammuniti on issued to Msunduzi Municipality staff by the 30 June 2020	1 (69% & below)	PSDM 03	NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT	Public Safety & Law Enforcement	2 x Physical Fire arm verifications conducted	Nil Conducted	2 x Physical Fire arm verifications conducted on all arms and ammuniti on issued to Msunduzi Municipality staff by the 30th June 2021	0 x Physical Fire arm verifications conducted on all arms and ammuniti on issued to Msunduzi Municipality staff by the 30th June 2021	1 (69% & below)	All Firearms returned from SAP on the 29th January 2021 and Verified by SAP and no Fire-arm were issued to staff members	N/A	N/A	Awaiting Rport from SAP
	N/A	N/A	N/A						N/A	N/A	N/A	N/A	N/A		
PSDM 04	2 x Fire Arm Training / Fire Arm Refresher Courses for all municipal fire arm holders conducted by the 30th of June 2020	0 x Fire Arm Training / Fire Arm Refresher Courses for all municipal fire arm holders conducted by the 30th of June 2020	1 (69% & below)	PSDM 04	NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT	Public Safety & Law Enforcement	2 x Fire Arm Training / Fire Arm Refresher Courses conducted	Nil Conducted	2 x Fire Arm Training / Fire Arm Refresher Courses for all municipal fire arm holders conducted by the 31st of January 2021	1 x Refresher training were conducted for all fire-arm permit holders	1 (69% & below)	All Firearms returned from SAP on the 29th January 2021 and	N/A	N/A	Attendance registers
	N/A	N/A	N/A						N/A	N/A	N/A	N/A	N/A		

COMMENT ON THE PERFORMANCE OF PUBLIC SAFETY ENFORCEMENT & EMERGENCY SERVICES OVERALL

The performance of the Disaster Management unit is directly linked to the Service Delivery and Budget Implementation plan (SDBIP's). While the performance is at an acceptable level, there are deficiencies within the unit like the filling of critical vacant posts and the establishment of a satellite disaster offices in the Greater Edendale Areas which include ward 39 Ncwadi/Vulindlela area which will further enhance service delivery thereby improving performance. Our Disaster Plan has not been approved due to various internal setbacks and we are positive that it will be approved during this reporting period. The funding for disaster relief has been drastically reduced by a huge amount. We have already committed our funding as per the 3-year contract, which has been approved to purchase relief items. We will therefore submit a request for further funding at mid-year review.

The lack of fire stations servicing the extreme areas of the municipality is a cause for concern due to the risks attached to the delayed response times from fire stations which are a fair distance from these areas. This is further exacerbated by the time of day response (peak periods etc.), and could have an impact on the ability to effectively protect life and property. The severe staff shortage has a direct impact on the morale of the fire staff, safety, and overtime budget implications in order to maintain an effective service.

The challenges that exist within the traffic department include, the lack of tools of trade, those tools of trade being vehicles, two way radios as a communication tool and uniforms. The DLTC continued to provide its services to Municipal patrons and providing a steady income of Revenue to the Municipality. In terms of the regulation the centre needs to have access to more space and be a stand-alone, which needs to be addressed as it has been an audit finding.

All Firearms returned from SAP on the 29th January 2021 and Verified by SAP and no Fire-arms were issued to staff members. The unit is also facing significant shortage in terms of tools of trade, there are not enough vehicles, TLB, Chainsaws which further limits the ability to complete tasks. There was also shortage of uniforms for security officers.

COMPONENT C: SUSTAINABLE DEVELOPMENT & CITY ENTERPRISES

BUSINESS UNIT

This component includes Development Services, Town Planning and Environmental Management, Human Settlements and City Enterprises.

3. SUSTAINABLE DEVELOPMENT & CITY ENTERPRISES

3.1 DEVELOPMENT SERVICES

INTRODUCTION TO DEVELOPMENT SERVICES

The sub-unit primarily deals with enhancing Economic Development through the development of Small Medium and Micro Enterprises (SMME's) and Cooperatives (Coops), furthermore supports the informal economy by facilitating and monitoring of informal street traders and tuck shops/ spaza shops.

ORGANIZATIONAL UNITS WITHIN DEVELOPMENT SERVICES & SERVICE STATISTICS

1. BUSINESS DEVELOPMENT

1.1. BUSINESS RETENTION AND EXPANSION

Business Retention & Expansion (BR&E) is an economic development strategy of proactively connecting with existing businesses to understand and respond to their needs. The Business Retention & Expansion (BR&E) strategy is to help businesses with expansion of current sites and facilities.

1.2. RED TAPE REDUCTION

Red tape within government have consistently been identified as one of the core elements, which restrict business development and growth. Red Tape affects the operation of businesses. Regulations, rules and procedures that regulate the business operation create undesirable consequences on businesses, the economy and individuals when not properly implemented. There are seven red tape indicators that were identified by COGTA; Business Development has implemented three (3) workshops and engagements with different business units on the effectiveness of reducing red tape within their department. Red Tape affects the operation of businesses and the regulations, rules and procedures that regulate the business operation, create undesirable consequences on business, the economy and individuals when not properly implemented.

The table below outlines the Red Tape Reduction Plan:

INDICATORS		OBJECTIVE	RED TAPE CHALLENGE	EXPECTED OUTCOME	ACTION ACTIVITY
One	Communication of Information	To improve communication to formal and informal businesses along with the public to assist with information dissemination and create awareness	Lack of or poor communication systems, processes and channels resulting in difficulty in accessing municipal information relevant to residents and/or businesses.	Improved communication to assist with service delivery and information dissemination.	Establish more than one channel of communication. Consideration of forums and committees is suggested.
Two	Percentage spend on Procurement of local SMMEs	No percentage stipulated on municipal procurement set aside for local SMMEs	Municipalities do not have SMME policies or regulations in place to promote SMME development or give preference to local suppliers of businesses	Services are procured from SMMEs or Cooperatives in the area.	SCM Policy reviewed and approved
Three	Lengthy and inefficient supply chain management processes (which ultimately affects the 30-day payment system to SMMEs).	To improve Supply Chain Management processes for better service delivery	Municipality procurement procedure does not include SMMEs into SCM policy.	An effective process which details the Municipality's procurement procedure.	Development of process flow for procurement processes
Four	To improve the functioning of the Licensing for better service delivery.	License and permits issued within 21 days. However, there is no system in place to track applications.	The timeframe of 21 days to approve applications and permits are not adhered to in many municipalities.	Efficient management of Business Licensing and permit applications	Development of a register and tracking system for all applications received applications
Five	Enforcement of Municipal Bylaws	Enforcement of Municipal Bylaws	Several municipal policies, regulations and by-laws are often outdated, and/or their costs exceed their benefits because of the unintended impacts they have on businesses or because of the way in which they are, or are not, implemented and enforced, resulting in unnecessary costs, delays, lost business and job losses.	Effective and efficient compliance and enforcement of Municipal by-laws	Council decision to recruit Peace Officers

INDICATORS		OBJECTIVE	RED TAPE CHALLENGE	EXPECTED OUTCOME	ACTION ACTIVITY
Six	Communication of Information	To improve communication to formal and informal businesses along with the public to assist with information dissemination and create awareness	Lack of or poor communication systems, processes and channels resulting in difficulty in accessing municipal information relevant to residents and/or businesses.	Improved communication to assist with service delivery and information dissemination.	Establish more than one channel of communication. Consideration of forums and committees is suggested.
Seven	Percentage spend on Procurement of local SMMEs	No percentage stipulated on municipal procumbent set aside for local SMMEs	Municipalities do not have SMME policies or regulations in place to promote SMME development or give preference to local suppliers of businesses	Services are procured from SMMEs or Cooperatives in the area.	SCM Policy reviewed and approved

1.3. PUBLIC-PRIVATE PARTNERSHIP (PPP) FRAMEWORK

The Msunduzi Municipal Public-Private Partnership (PPP) Framework is developed specifically for local governments to help them understand and implement PPPs, keeping in mind their characteristics, needs and challenges. The Municipal Public Private Partnership Framework is inspired by best practices from PPPs around the country adjusted to be most relevant for Msunduzi Municipal PPP, easy to use, practical and better aligned to the capacities and capabilities of local government. The main responsible for maintenance. This means that any investment by the private sector partner remains the property of the public sector partner etc.

1.4. INCENTIVE POLICY

The intention of this policy is to: Identify the package of incentives required to effectively attract investors to the city, create conditions suitable to the attraction and retention of investment, like reducing the cost of doing business and expediting approvals and appointment within the prescripts of legislation.

1.5. INVESTMENT DIRECTORY

The purpose of the Msunduzi investment directory is to identify available land for the municipality. Msunduzi Municipality Investment Directory highlights on the establishment of effective participation by business and industry stakeholders in planning and decision making about the competitive locations of businesses and projects in the municipal jurisdiction.

Business and investment projects on Msunduzi Municipality Investment Directory creates suitable conditions for locals including Small Medium and Micro Enterprises, to participate in the implementation of catalytic projects and

Strategic Objectives for CBD

Improving Accessibility, Connectivity and Efficiency (Access)

- Establish improved Regional Access and Integration.
- Improve Urban Connectivity.
- Improve Accessibility to services and facilities.
- Reduce the dominance of the car.

Improve and Enhance Environmental Quality, Safety and Security (Vitality)

- Protect, rehabilitate and Enhance Environmental Assets.
- Maintain and Improve Basic Services.

Establishing a sense of ownership, territoriality, pride and dignity (Sense)

- Review and strengthen the spatial structure of the study area.
- Establish and Protect Territoriality and Identity.
- Establish a more responsive urban form.

Making space for lifestyle needs and growth (Fit)

- Increase supply of functional Public Space.
- Increase and improve Economic Spaces.
- Increase and enhance Housing Choice.
- Increase social facilities.
- Utilize more responsive Building Typologies.

People Development and Involvement (Control)

- Enhance the capacity and responsiveness of local government to manage the urban environment.
- Enhance Coordination and Cooperation between Stakeholder Groups.
- Build Management Capacity within the stakeholder community.

The YEP proposal is essentially to develop a self-contained precinct that consists of 30 to 50 containers. The precinct will accommodate a range of various uses that are necessary for the YEP to provide, these can include:

- Training rooms
- Retail space
- Skate park / Other sports facilities
- IT Café
- Offices
- Ablution blocks

Final construction phase

This is a COGTA funded project, which is the upgrade of Manaye Hall where Nelson Mandela made his last public speech before he went to prison. The project includes the Manaye Hall to be converted to a museum, an interpretation Centre, an amphitheater (already constructed as part of Phase 1), a coffee shop (SMME opportunity), a prison museum, landscaped areas, parking etc., a craft heritage market (SMME opportunities), a legends park and a gateway feature at the start of the project.



ECONOMIC DEVELOPMENT

2.1. LOCAL ECONOMIC DEVELOPMENT

The main focus of the Unit was to finalise Informal Economy policy which will be used as a guideline to develop and grow street traders and informal economy businesses with the municipality. The other main priority is to provide business support services to existing and potential businesses within Msunduzi jurisdiction in enabling them to undertake income-generated activities resulting in job creation and economic growth.

2.2. THE LOCAL ECONOMIC DEVELOPMENT UNIT STRUCTURE

1. SMME Development and Support
2. Informal Trade and Street Trading
3. Informal Economy

2.2.1 SMME DEVELOPMENT AND SUPPORT

The SMME Development and Support is a section of the Local Economic Development Unit that deals with facilitating the development of SMME's and Cooperatives within the jurisdiction of the Municipality. Our mandate as a Unit is to assist aspirant and existing entrepreneurs to start/grow and expand their business.

The functions of the Business Unit are to facilitate:

- Business registration for SMMEs and Cooperatives
- Business compliance in terms of SARS, CSD, CIDB etc.
- Development and support to SMMEs and Cooperatives

- Access to finance
- Business linkages and markets
- Training and mentorship
- Poverty alleviation programmes
- Site visits on various projects to check progress and challenges
- Local Economic Development Forum

The Development Services Unit and its staff are committed to providing to its clients and stakeholders an innovative efficient and professional service. The main objective of the Unit is to provide a conducive environment for distributive economic growth and development. The Unit is guided by both SMME Development and Cooperative Development strategies to implement small businesses programmes and projects.

For 2020/21 financial year, the SMME Development Sub Unit had the following targets:

The Sub Unit also facilitated the following activities successfully:

- Ongoing maintenance of SMME and Cooperative Ward based database
- 4 x Local Economic Development Forum meetings
- Ongoing maintenance of Tuck Shop Database
- Ongoing maintenance of Informal Economy Database
- Implemented and adhered to Disaster Management Act during Level 4 and 3 of lockdown

2.2.2. INFORMAL TRADE AND STREET TRADING

The Msunduzi Municipality as the City recognizes the objective of its existence in terms of the Constitution, which includes –

- To promote social and economic development
- To promote a safe and healthy environment and
- Municipal planning, trading regulations, licensing and control of undertakings that sell food to the public, markets, public places, municipal roads and street trading.

The City therefore recognizes the need to adopt a developmental approach to enable access to job and entrepreneurial opportunities within the Informal Trading sector, to harmonize the relationship between the Informal Trading sector and the formal trading sector and to facilitate the migration of Informal Trading into the formal trading sector (Upward Migration Programme).

In order to achieve and fulfil the abovementioned constitutional objective and responsibility, and after an extensive consultation process with the relevant stakeholders, the City has successfully reviewed an Informal Economy policy,

which aims at creating opportunities for the Informal Trading sector to share in the benefits of, and further contribute to, the City's economic growth.

Forms of Informal Trading

Informal Trading may include any of the following forms of trading –

- Street trading, which comprises the selling of goods or supply of services for reward in a Public Road;
- Place;
- Mobile trading such as from caravans, and light Motor Vehicles;
- Selling of Goods in stalls or kiosks; and (f) Selling of Goods at Special Events;
- Selling of Goods in Linear Market;
- Sale of Goods or services in a Public 2.2 Strategies used in implementing services are:
- Provincial Informal Economy Policy and Street Trading Bylaws

For 2020/21 financial year, the Informal Trade and Street Trading Sub Unit had the following targets:

- 4 x Training/workshops facilitated to street traders
- The Business Unit applied for funding from the Department of Economic Development and Environmental Affairs(EDTEA) at a value of R4 million. This funding will be used to upgrade street trader's facilities including trading stalls, storage and toilet facilities.

ALLOCATION OF TRADING STALLS: THWALA ROAD STALLS.

Development Services Sub Unit has facilitated the launch of Thwala Road Market Stalls on the 03rd May 2021, which consisted of ten (10) stalls, all traders were allocated or handed their keys in their precise trading stalls.



Ten Lease Agreements were signed in May 2021 with the following Traders for the occupation of the Thwala Road Stalls:

2.2.3. INFORMAL ECONOMY

The following are the duties of the informal economy Unit:

The Unit undertake the following tasks:

- The preparation of the policy that will focus on the development needs of the Informal sector, and identify opportunities within the economy of the Municipality, looking both externally at the broader economic situation of the region, as well as internally at its procurement processes.
- Capture an Informal Economy development vision for the Msunduzi Municipality in consultation with key stakeholder organizations.
- Provide an analysis of the Informal Economy environment, including strengths, weaknesses, opportunities and threats within the economy in general and municipality in particular.
- Review the key economic sectors in the municipality and analyze the potential development opportunities in each sector and the most recent trends.
- Analyze the latest Provincial Growth and Development Plan, the Municipal IDP, and the LED strategy together with the various plans of other national and provincial government departments in respect of promotion of Informal Economy growth and development, to identify possible opportunities.
- Undertake structured consultations with stakeholder groups to develop key strategies and priority interventions, with the aim of promoting new SMMEs, supporting progression from the informal sector to formal small businesses, and enabling SMMEs to expand, diversify and develop a profile beyond the Municipal boundaries.
- Make recommendations on the creation of an enabling environment which is conducive to promoting Informal Economy development, including both support and the reduction of regulatory and bureaucratic impediments.

For 2021/22 financial year, the Informal Economy Sub Unit had the following targets:

- Finalize the reviewing of Informal Economy policy
- Successfully sourced funding for the establishment of Informal Trade Stalls, Refuse Bins, Ablution and Storage facilities.
- Successfully facilitated meetings of Sub Committee Liaison and Informal Chamber

COMMENT ON LOCAL JOB OPPORTUNITIES

There are a number of catalytic projects in the IDP, which support industrial development such as the Pietermaritzburg airport upgrade, the Integrated Rapid Public Transport System (IRPTN), the electrical infrastructure upgrade and the installation of a fibre optic cable network.

JOB CREATION THROUGH EPWP* PROJECTS		
Details	EPWP Number of Projects	Jobs created through EPWP* Projects No.
2018/2019	24	1060
2019/2020	29	821
2020/2021	29	821
Extended Public Works Programme		

JOB CREATION THROUGH CWP* PROJECTS		
Details	CWP Number of Projects	Jobs created through CWP*Projects No.
2018/2019	14	1080
2019/2020	25	970
2020/2021	18	940
Community Works Programme		

BUSINESS LICENSING

The purpose of this Unit is to issue, endorse, revoke, amend the business licences and also ensure that all businesses within the Msunduzi Municipality comply with the Business Act, (Act No. 71 of 1991) which states that no person/ business may conduct a business without a business license.

Businesses who fail to comply with the legislation, by trading without a license and by contravening their license conditions will be prosecuted”

CHALLENGES:

The challenges of the unit are the critical staff shortage, the unit desperately requires admin clerks, and the shortage of clerical staff is hampering the roll out the E-licensing program.

The critical shortage of tools of trade (computers, color printer for printing business licenses, vehicles for inspectorate to carry out the regulatory functions)

BUSINESS VISITS FOR COMPLIANCE

The business licensing unit has exceeded all the set target albeit the Covid 19 challenges

ANNUAL TARGET	ANNUAL ACTUAL (accumulated)
550	1023

Business visited for registration and creation of database achieved

ANNUAL TARGET	ANNUAL ACTUAL (accumulated)
500	774

4. SPECIAL PROJECTS (NDPG)

- 4.1. The Unit is responsible for the planning, implementation and management of the Neighbourhood Development Partnership Programme [NDPG] that is intended for public investment, funding used to attract private, and community investment to unlock the social and economic potential within targeted neglected townships and neighbourhoods.
- 4.2. The Unit was successful in sourcing funding to the value of R108million for the Camps drift Dredging which has not been maintained over the past ten years due to the unavailability of funds. Currently in a process of extending the footprint of NDPG programme through the Integration Zone to the CBD and Northern Areas. In the 2020/2021 financial year, national treasury also approved R56million towards the planning and design of the Old Edendale road upgrade project.
- 4.3. The challenge has been that the majority of land parcels intended for the Edendale Town Centre development are privately owned and highly invaded with informal settlements. This resulted in the Municipality having to undergo the Land Expropriation process, which lead to a major setback on the development. The land acquisition exercise has contributed to major delays in the construction of some of the roads and other infrastructure in the Edendale town centre.
- 4.4. The unit was also successful in sourcing funding towards the refurbishment and development of 250 street trading stalls as well as provision informal street trading storage and cold-room facility, ablution facilities as well as bins within the CBD.
- 4.5. The Unit is also accountable for the planning and implementation of CoGTA funded projects. These are Special LED projects where the unit manage the planning & implementation, SMME space allocation and capacity building.
- 4.6. The Sub-unit is responsible for the facilitation of spatial planning, land identification and premises access for development. The Unit was successful in obtaining the Water Use License for Ezinketheni Social Development Planning Programme. However, this process took longer and resulted in a delay on the approval of the SPLUMA application.

PROJECT NAME	BUDGET APPROVED	FUNDER	EXPENDITURE	STATUS
Camps Drift Desilting [ISF Project]	R69,373,368	National Treasury	R11,422,755	A contractor has been appointed to undertake the construction of the project.
Promenade 1 [Road R1 & R2]	R18,600,000	National Treasury	R8,644,601	Construction stage
Re-establishment of Manaye Hall	R 5,355,402	CoGTA	R 5,355,402	Construction stage
Youth Enterprise Park	R 9,415,000	CoGTA	R 9 415 000	Construction stage
Old Edendale Road Upgrade	R 3,570,494	National Treasury	R 3,570,494	Planning & Design

PROJECT NAME	BUDGET APPROVED	FUNDER	EXPENDITURE	STATUS
Informal Economy Infrastructure Project	R 4 000 000.00 R 1 000 000.00	EDTEA Council	R 1 684 435.41	Construction stage
Ezinketheni Social development Planning Programme	R 817,689.97 excl. Vat R 932,166.57 Incl. Vat	Council	R 781 046.05	Planning stage

EMPLOYEE INFORMATION – DEVELOPMENT SERVICES

EMPLOYEE: DEVELOPMENT SERVICES					
BUSINESS DEVELOPMENT, ECONOMIC DEVELOPMENT & LICENSING					
Job Level	2019/2020	2020/2021			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents No.)	Vacancies (as a % of total posts) %
T01–T03	0	0	0	0	0
T04-T08	3	5	3	2	40
T09–T13	14	25	17	8	32
T14-T18	2	3	2	1	33
T19-T22	1	1	1	0	0
T23-T25	0	0	0	0	0
Total	20	34	23	11	32

FINANCIAL PERFORMANCE – DEVELOPMENT SERVICES

FINANCIAL PERFORMANCE 2020/2021: DEVELOPMENT SERVICES					
R'000					
BUSINESS DEVELOPMENT, ECONOMIC DEVELOPMENT & LICENSING					
Details	2019/2020	2020/2021			
	Actual	Original Budget	Adjustment Budget	Actual	Variances to Adjusted Budget %
Total Operational Revenue (excl. tariffs)	-685	-442	-5 924	-2 932	50%
Expenditure:					
Employees	3 089	11 351	5 470	5 320	-2%
Repairs and Maintenance	793	13	13	10	-25%
Other	749	2 512	4 016	1 660	-58%
Total Operational Expenditure	4 631	13 876	9 499	6 990	-26%
Net operational (Service) Expenditure	3 946	13 424	3 575	4 058	-13%
Variances are calculated as follows: Actual expenditure – Adjusted budget divided by the Adjusted budget x 100.					

CAPITAL EXPENDITURE – DEVELOPMENT SERVICES

CAPITAL EXPENDITURE 2020/2021: DEVELOPMENT SERVICES					
R'000					
BUSINESS DEVELOPMENT, ECONOMIC DEVELOPMENT & LICENSING					
Details	2020/2021				
	Budget	Adjustment Budget	Actual Expenditure	Variances to Adjusted Budget %	Total Project Value
Total All					
Edendale Town Centre: Promenade1	12 074	4 980	3 896	-21%	
EDTEA:Z4:INFORMAL ECONOMY	-	4 000	2 324	-41%	
Edendale Town Centre: Promenade1	21 063	7 425	6 682	-10%	
OLD EDENDALE ROAD UPGRADE	1 861	3 500	3 100	-11%	
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate) Variances are calculated as follows: Actual expenditure – Adjusted budget divided by the Adjusted budget x 100.					

DEVELOPMENT SERVICES POLICY OBJECTIVES TAKEN FROM THE IDP

DEVELOPMENT SERVICE														
SDBIP 19/20				SDBIP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	BASELINE	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT						
								ANNUAL 20/21 FY PROGRESS REPORT						
								ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
N/A	N/A	N/A	N/A	DS 01	NKPA 3 - LOCAL ECONOMIC DEVELOPMENT	NKPA 3 - LOCAL ECONOMIC DEVELOPMENT	NIL	250m of Promenade 1: Road (R1) constructed and completed by the 30th of June 2021	90m of Promenade 1: Road (R1) constructed and completed by the 30th of June 2021 Road construction is at 35% complete	1 (69% & below)	Land acquisition negotiations failed.	Expropriation application has been submitted to Cogta. Conclusion of servitude agreement.	Servitude agreement (July 2021). Expropriation (Sept 2021)	Expropriation application submission. Email from attorney for servitude agreement.
N/A	N/A	N/A	N/A					R12,000,000.00	N/A	N/A	N/A	N/A	N/A	

COMMENT ON THE PERFORMANCE OF DEVELOPMENT SERVICES OVERALL

The sub-unit has performed exceptionally considering the human capital strength being unobtainable and the tools of trade unattainable due to budget constraints. The novel corona virus (covid-19) has taught us the new normal in terms of working smart and making impact without necessarily occupying the office space.

The Development Services has much more room to improve in terms of high impact Local Economic Development programmes and infrastructure projects.

On the 3rd May 2021, the Development Services Sub Unit facilitated the launch of Thwala Road Market Stalls which consisted of ten (10) stalls. All traders were allocated or given keys to their specific stalls.

The challenge of not filling the critical post in management is affecting the performance capability of the sub-unit and the propensity to do well in all areas. Especially the key strategic objective of the sub-unit that is to reduce unemployment, increase the economic activity and utilize land optimally. This can be achieved through proper business attraction, retention and expansion strategy and as well as a supportive Business incentives policy.

3.2. HUMAN SETTLEMENTS

INTRODUCTION TO HUMAN SETTLEMENTS

The Human Settlements Sector Plan sets out human settlements delivery goals, targets for the municipality, and provides an approach to human settlements delivery and spatial transformation. The Human Settlements Sector Plan is reviewed annually together with the Integrated Development Plan of the Municipality.

The newly reviewed Human Settlements Housing Sector Plan 2020/2021 was adopted by full council in April 2021.

SOME OF THE KEY OBJECTIVES OF THE HUMAN SETTLEMENTS SECTOR PLAN IS TO:

- Upgrade the existing well located informal settlements to improve land tenure and access to basic services
- Accelerate development and consolidate human settlements development in line with the National Policy directives and the IDP of the Municipality
- Contribute towards spatial transformation and creation of an efficient settlements and spatial pattern.
- The Municipality is currently acting as a developer and has delivered several Human Settlements projects through funding from the Department of Human Settlements. Since 2004, the Municipality has delivered approximately 138000 Human Settlements units with access to basic services (water, electricity, roads, storm water, etc.).
- There are currently some 42 Projects in various stages of implementation. The total project pipeline will yield over 43 000 units in the next 10 years. The Human Settlements Sub Unit is made up of four (4) Sections with each focusing on key programmes of human settlements:

ORGANIZATIONAL UNITS WITHIN HUMAN SETTLEMENTS

LIAISON AND INFORMAL SETTLEMENT

The Section is responsible for the social facilitation/ community participation in all Human Settlements projects within the Municipality including setting up of Project Steering Committees and report back to communities. The Section also manages Beneficiary Administration in all Human Settlements projects and provide Human Settlements Consumer Education (training to beneficiaries of Human Settlements projects).

PROJECT PLANNING

This Section identifies and facilitates the acquisition of well-located land to implement the relevant national Human Settlements subsidy programmes.

There are currently 32 Human Settlements projects that are in various phases of the planning stage (Pre-feasibility and Detailed Planning - Stage 1). These projects and other project under implementation are expected to deliver a combined estimated yield of 43 463. Once the planning stage is concluded these projects will advance to Stage 2 which is installation of services under the Implementation Section.

PROJECT IMPLEMENTATION

The Section deals with project management of human settlements projects at the implementation to deliver the infrastructure services and mixed typology Human Settlements at scale. Ensuring that infrastructure services in all Human Settlements projects meet the Municipal standards. There are currently nine (9) human settlements projects that are in various phases of the implementation stage. During the 2020/21 financial year the municipality was able to deliver 829 housing units of the planned 1724 due to a variety of challenges, the biggest one being Covid-19.

The Municipality is currently undertaking rectification programmes which include the rectification of 2086 Wire-walled houses. The Municipality has also experienced a challenge whereby most of projects that were undertaken post 1994 were never completed and closed out, about 11 000 units have never been transferred to the beneficiaries. In rectifying this situation, the Municipality has appointed a Conveyancer to verify and transfer the 5685 units. By end of June 2021, 3627 title deeds had been transferred.

HUMAN SETTLEMENTS ADMINISTRATION

Human Settlements Administration sections of Human Settlements that deals with Council Rental Stock. Council Rental Stock consists of Flats and Odd properties. Human Settlements Admin also deals with Files that belong to Edendale/ Imbali Township properties. The Municipality currently owns 248 rental flats and 40 state funded properties and 58 odd/ free-standing properties (houses) that are being leased out to tenants. The unit is also in the process of disposing of the approximately +- 800 ex-state owned pre-1994 properties within the Edendale area by application of the Extended Enhanced Discount Benefit Scheme (EEDBS). On the 27th May and 14th May 2021, the Unit handed over approximately 200 title deeds to tenants of pre-1994 ex-state owned properties most of which were elderly over 60 year of age and predominantly woman in Sobantu Village and Imbali Unit DD.

CHALLENGES

There are challenges relating to the management of Informal Settlements due to massive land invasions and mushrooming of more informal settlements, and the Municipality is having a challenge in fighting this phenomenon. What is even more challenging about land invasions is that they are targeting land that has already been identified for human settlements. Challenges with regards to the time taken on the appointment of service providers, leading to delays on the implementation of Human Settlement projects.

Delays in funding approval through the Municipal Infrastructure Grant for Human Settlement Projects. Some of the challenges that are facing the administration of the Human Settlements Rental stock, has been a long history of poor payment of rentals and services. Most projects were affected by the Country's lockdown due to Covid-19. For a considerable amount of time, contractors could not work on-site and when the Country was open, there were shortages of steel and other building materials which meant slow progress on delivering housing units on-site.

The other challenges are a lack of qualified data that both Human Settlements Administration and Finance work from in terms of rental collection and the systems being used by the sections to perform property management activities. There has also been minimal maintenance of the rental stock due to lack of funding resulting from non-payment of rentals. However, the Human settlement has appointed the service provider that will be doing maintenance and repairs of rental stock, and the legal that will be dealing with non-payment of rentals (evictions).

PERFORMANCE ENHANCEMENTS

The Municipality is level 1 accredited by the National and Provincial Department of Human Settlement to perform Human Settlement activities on behalf of the Province. As part of the accreditation, the Municipality is provided with Grant Funding for operational purposes. The funding has assisted the Municipality to fill all critical positions, and that has drastically improved the performance of Human Settlement and Service Delivery as whole. The Unit is constantly engaging on staff training through internal bursaries and trainings requested from Provincial and National Department of Human Settlements to improve efficiency.

HOUSING NEED IDENTIFICATION

There are various ways that Human Settlements Unit use to identify Housing needs, these include; IDP Izimbizo, requests from communities and Ward Councillors. Through the Municipal Spatial Development Framework in terms the identification of land suitable for human Settlement, as well as other internal strategic plans e.g. Human Settlement Sector and National Upgrading Support Programme.

The Municipality together with the Provincial Department of Human Settlements are in a process to implement the National Housing Needs Register programme. This programme will create a single and reliable list of potential beneficiaries/ those legitimately waiting for government housing assistance.

HUMAN SETTLEMENT DELIVERY AGENTS

Human Settlements is working together and have a relationship with a Social Housing Institution called Capital City Housing (accredited by the Social Housing Regulatory Authority as per the Rental Housing Act). This Agent is responsible for the provision of the subsidised rental accommodation. The Municipality is currently investigating the establishment of a Municipal entity to deal with the provision and management of rental housing accommodation.

SERVICE STATISTICS FOR HUMAN SETTLEMENTS

PERCENTAGE OF HOUSEHOLDS WITH ACCESS TO BASIC HOUSING			
Year End	Total Households (incl. formal and informal Settlements)	Houses in formal settlements	Percentage of HHs in formal settlements
2016/2017	184 667	169 991	92.05
2017/2018	190 207	176 791	92.95
2018/2019	195 913	183 863	93.85
2019/2020	201 790	191 217	94.76
2020/2021	207 844	196 953	94.76

*Based on population projections with an average annual growth rate of 3% per annum.
* Source: Based in the Stats SA General Household Survey data and Global Insight data.

T3.5.2

EMPLOYEE INFORMATION – HUMAN SETTLEMENTS

EMPLOYEE: HUMAN SETTLEMENTS SERVICES					
Job Level	2019/2020	2020/2021			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents No.	Vacancies (as a % of total posts) %
T01–T03	1	1	0	1	100
T04–T08	11	17	13	4	24
T09–T13	23	43	28	15	35
T14–T18	9	10	10	0	0
T19–T22	1	1	1	0	0
T23–T25	0	0	0	0	0
Total	45	72	52	20	28

FINANCIAL PERFORMANCE – HUMAN SETTLEMENTS

FINANCIAL PERFORMANCE 2020/2021: HUMAN SETTLEMENTS SERVICES					
R'000					
Details	2019/2020	2020/2021			
	Actual	Original Budget	Adjustment Budget	Actual	Variances to Adjusted Budget %
Total Operational Revenue (excl. tariffs)	-49 385	-343 539	-402 242	-90 684	-77 %
Expenditure:					
Employees	19 629	26 603	29 340	29 303	-0%
Repairs and Maintenance	4 783	6 442	4 925	4 419	-10 %
Other	10 784	41 299	96 241	11 593	-88%
Total Operational Expenditure	35 196	73 344	130 506	45 315	-65%
Net operational (Service) Expenditure	-10 189	-270 195	-271 736	-45 369	-83%
Variances are calculated as follows: Actual expenditure – Adjusted budget divided by the Adjusted budget x 100.					

CAPITAL EXPENDITURE – HUMAN SETTLEMENTS

CAPITAL EXPENDITURE 2020/2021: HUMAN SETTLEMENTS SERVICES					
R'000					
Details	2020/2021				
	Budget	Adjustment Budget	Actual Expenditure	Variances to Adjusted Budget %	Total Project Value
Total All					
ACRDC:NEW:COMPUTER EQUIPMENT	2 000	2 000	246	-82%	
MIG:Z4:JIKA JOE CRU	5 000	5 000	4 653	-6%	
HSE:Z4:DOHS JIKA JOE HOUSING	244 264	232 161	36 752	-84%	
HSE:Z2:MILITARY VETERANS	6 124	6 124	0	-100%	
HSE:Z4:JIKA JOE VAT REC CAPEX	12 102	12 095	0	-100%	
ACRDC:AH:NEW:NEW:MACHINERY &	3 000	3 000	0	-100%	
ACRDC:AH:NEW:NEW:FURNITURE &	250	250	0	-100%	
ACRDC: AH:INSTALL ACCESS CONTROL	1 500	1 500	266	-87%	
HSDV:Z4:JIKA JOE CRU ward 33	0	22 465	9 193	-56%	
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate) Variances are calculated as follows: Actual expenditure – Adjusted budget divided by the Adjusted budget x 100.					

COMMENT ON THE PERFORMANCE OF HUMAN SETTLEMENTS SERVICES OVERALL

Our four priorities amongst others are; Jika Joe Community Residential Units, Wirewall Rectification Project, Signal Hill Integrated Housing Project and the consolidation projects. Jika Joe is aimed at providing rental accommodation for low income residents within Jika Joe informal settlements and its surroundings. The project is currently under the construction of top structures on Phase 1 of the project which will yield 452 Units. The project had some delays performed very well and exceeded the projected expenditure in the financial year 2019/20.

Wirewall Rectification Program is focused on rectifying the houses that were built in late 1990's using the Wirewall technology. There are 2086 houses to be rectified in this project, 1352 houses have been rectified under this program with 679 units having been rectified on financial year 2020/21. The project performed very well and exceeded the number of units projected in the financial year 2020/21.

Signal Hill is an Integrated Development Project aimed at delivering various housing typologies for different income categories. Detailed Planning Studies for the project are ongoing; an Environmental Authorisation is in place (Record of Decision). There is a Town Planning (MPT approval) in place for the Pilot Phase of the project (phase 1), the un-beaconed GP is 80% complete. This phase comprises of 59 units earmarked for the Gap Market. This phase is 80 % complete and will be handed over to the Implementation Section for the installation of services which is Phase 1. The balance of the 2941 units' form part of phase 2 of the project which triggers a WULA upon approval of the WULA the SPUMA application process will be finalised. This exercise is 50 % near completion.

There are five consolidation projects in Msunduzi; these include Happy Valley Housing project, Site 11 Housing project, Thamboville Housing project, Glenwood Q-Section Housing project and Thembalihle Housing project. These projects were faced with challenges in the 2020/21 financial year, these ranging from delays with NHBRC approvals, Covid-19 with steel and other material supply shortages and slow progress on site. Out of the projected 334 housing units to be delivered across the 5 projects, only 69 housing units were achieved.

3.3. TOWN PLANNING AND ENVIRONMENTAL MANAGEMENT

This component includes Building Control; Town Planning, Environmental Health, Environmental Management, Land Survey and the Greater Edendale and Vulindlela Development Initiative (GEVDI).

INTRODUCTION TO TOWN PLANNING AND ENVIRONMENTAL MANAGEMENT

- (a) The opportunity of town planning is to be able to work hand in hand with the communities in their attempts to achieve service delivery and make their life successful within their environment. Town planning deals with areas that need intervention by making sure that areas change for the betterment of people who are staying within those areas.
- (b) The challenge that is facing town planning is an increase of unauthorized land uses due to delay in finalizing cases and a shortage of human capacity to enforce unauthorized land uses.

ORGANIZATIONAL UNITS WITHIN TOWN PLANNING AND ENVIRONMENTAL MANAGEMENT

TOWN PLANNING

During the 2020/21 financial year, Town planning received numerous development planning applications, of which most of them have been considered within the legislated timeframe. The table below, provides the exact figures of various development applications received and processed within the 2020/21 financial year.

APPLICATIONS FOR LAND USE DEVELOPMENT						
Detail	Formalisation of Townships		Rezoning		Built environment	
	2019/2020	2020/2021	2019/2020	2020/2021	2019/2020	2020/2021
Planning application received	17	12	35	45	26	30
Determination made in year of receipt	08	05	18	24	14	15
Determination made in following year	05	07	15	21	08	15
Applications withdrawn	00	00	00	03	00	00
Applications outstanding at year end	04	00	03	00	06	00

BUILDING CONTROL AND SIGNAGE

The Building Control Section monitors building construction in the Msunduzi Municipality boundaries. This is achieved by compliance with the National Building Regulations and Building Standards Act, 1977, the SANS 10400.

95% of Building Plan Applications <500m2 to be processed for approval by the Plan Approval Committee within an average of 30 days from date of receipt of the application by the 30th of June 2021

100% of (660) Building Plan Application <500m2 processed for approval by the plan Approval Committee within an average of 21 days from date of receipt of the application by the 30th of June 2021

Total of 600 building inspections conducted of illegal building works by the 30th June 2021

727 x building contraventions inspections conducted for illegal building works by the 30th of June 2021

Lack of Resources

- The lack of tools of trade has effected the department drastically. Since we are doing business electronically, the hardware must be upgraded accordingly.
- The Building Control unit does not have access to property ownership details when dealing with Companies and Trust as the contract with Windeed has not been renewed.
- Budgets for the unit were reduced and therefore we are unable to source assets and operational needs for the unit.

Problem Buildings

- The Department together with Legal service and other units has identified 5 properties that were handed over to a Legal Firm to pursue the matter via the courts. The unit is current waiting for progress from Legal Service

APPROVED BUILDING PLAN INFORMATION FOR THE MSUNDUZI MUNICIPALITY FOR THE PERIOD 1 JULY 2020 TO 30 JUNE 2021

APPROVED BUILDING PLAN INFORMATION FOR THE MSUNDUZI MUNICIPALITY FOR THE PERIOD 1 JULY 2020 TO 30 JUNE 2021																
	Residential Dwelling Houses Passed			Other Residential-Flats, Hotels Etc			RPD Passed	Non Residential- Private Sector			Non Residential-Public Sector			Alteration & Additions-All Buildings		
	No.	Area	Cost	No	Area	Cost	RPD Passed	No.	Area	Cost	No.	Area	Cost	No.	Area	Cost
JULY	2	770	680000	0	0	0	0	0	0	0	0	0	0	10	2549	10685500
AUGUST	7	1653	9058500	0	0	0	0	1	3703	16663500	0	0	0	28	6126	26278000
SEPTEMBER	13	4437	31915000	12	1134	8500000	0	4	11972	58560000	0	0	0	86	10119	44737300
OCTOBER	9	3144	20400000	25	2496	44850000	0	1	2310	10395000	0	0	0	59	4028	20884500
NOVEMBER	11	3499	23310000	30	3133	20000000	0	1	635	3500000	0	0	0	53	3744	17896000
DECEMBER	2	128	1000000	0	0	0	0	0	0	0	0	0	0	30	6283	59890625
JANUARY	5	2204	14600000	0	0	0	0	1	2507	5000000	0	0	0	41	3989	21050500
FEBRUARY	4	1475	16000000	972	24595	306500000	0	2	3592	18500000	0	0	0	49	8148	38650500
MARCH	7	1956	15553000	0	0	0	0	1	13329	16645000	0	0	0	66	21267	89949500
APRIL	3	635	4210000	0	0	0	0	0	0	0	0	0	0	37	3324	19838000
MAY	10	7884	28000000	0	0	0	0	1	1261	5000000	0	0	0	47	5712	135189000
JUNE	4	1505	9335000	0	0	0	0	3	3997	18100000	0	0	0	40	4684	29309000
TOTAL	77	29290	R 0.00	0	0	R379850000.00	0	0	0	R 152363500.00	0	0	0	546	79973	R 514358425.00

ENVIRONMENTAL HEALTH

INTRODUCTION TO ENVIRONMENTAL HEALTH

Environmental Health encompasses those aspects of human health, including quality of life that is determined by physical, chemical, biological, social and psychosocial factors in the environment. It also refers to the theory and practice of assessing, correcting, controlling and preventing those factors in the environment that can potentially affect adversely the health of present and future generations. Environmental Health Services includes:

Water quality monitoring, Food control, Waste management, Surveillance of premises, Communicable diseases control, Vector control, Environmental pollution control, Disposal of the dead, chemical safety and noise control.

The service delivery priorities focused on water quality monitoring, food quality and safety, and air quality monitoring.

DESCRIPTION	TARGET	ACHIEVED
No. of Complaints investigated	311	311
No. of Trade Licence application processed	231	231
No. of condemnations of foodstuffs and tonnage	250	250 condemnations ,19 tons
No. of Water samples from rivers/streams	800	807
No. of Water samples from reservoirs, consumer points	1020 samples	1174 samples
Percentage compliance with SANS 241:2015 NB: SANS are national standards that replaced SABS(South African Bureau of Standards) 241: 2015 relates to drinking water	100%	98.9 %
Swabbing: No of swabs and food samples	960 food samples and swabs	961 food samples and swabs
Percentage compliance with microbiological standards:	100%	29 %
No. of Inspections and Registrations of Funeral Undertakers in terms of the Funeral Undertakers' Regulations:	60 premises	142 premises
No. of Food premises inspected and registered in terms of R962 (Food Regulations):	2600	2955

DESCRIPTION	TARGET	ACHIEVED
No. of Communicable Diseases notifications investigated:	22	22 (excluding Covid 19 notifications)
No. of Vector Control investigations, treatment and baiting	17000 sites	17 224 sites
No. of Premises inspected for compliance with Tobacco Legislation:	3000 premises	4514 premises
No. of Places of care inspected:	500 premises	535 premises inspected
No. of Health Care Waste generators inspected:	500 premises	646 premises
No. of Commercial, industrial and residential premises inspected	8200 premises	9362 premises
No. of Schedule processes/listed activities:	192 premises	200 premises
No. of Controlled burning applications processed:	18	18 applications processed
No. of Health Education sessions conducted	960	1400
Permit Applications Processed	560	642
No. of Notices issued	1273	1273 notices
No. of Prosecutions instituted	336	336 prosecutions
Fines received	Dependent on successful prosecutions	R 73 050

WATER AND AIR PURITY

Water: 100% of all readings taken (potable water at reservoirs and consumer points) throughout the year on at least weekly to be found acceptable by National Standards

2019/2020		2020/2021		2021/2022
Target	Actual	Target	Actual	Target
100% Acceptable	100% Acceptable	100% Acceptable	99% Acceptable	100%

Air: All readings taken throughout the year found to be within National limits

Pollutant	Averaging Period	Limit Value	Annual Average
SO ₂	1-year	19 ppb	13.66 ppb
CO	1-hour	26 ppm	0.29 ppm
NO ₂	1-year	21 ppb	5.9 ppb
PM ₁₀	1-year	40 µg/m ³	24.32 µg/m ³
O ₃	8-hour (running)	61 ppb	3.31 ppb

Nitrogen dioxide

Human activities such as the combustion of fossil fuels and biomass are the major source of NO₂ in the air. Effects of NO₂ exposure include alveolar tissue disruption and obstruction of the respiratory bronchioles.

Ozone

In its natural form it is of benefit to mankind but the production of ozone due to human activity can be detrimental to humans. Ozone can be toxic to lung tissue if inhaled and may also impact the immune system.

Particulate Matter

Particulate matter (PM) found in the air is made up of a mixture of very small particles and liquid droplets. Once inhaled, these particles can affect the heart and lungs and cause serious health effects.

Sulphur Dioxide

Sulphur Dioxide (SO₂) is a colorless gas with a strong, unpleasant odor. High concentrations of SO₂ can cause damage to the human respiratory function when inhaled, causing coughing and shortness of breath.

Carbon Monoxide

Carbon monoxide (CO) is a colorless, odorless gas emitted from combustion processes. The majority of CO emissions to ambient air comes from mobile sources. CO can cause harmful health effects by reducing oxygen delivery to the body's organs (like the heart and brain) and tissues.

ENVIRONMENTAL MANAGEMENT

This unit aims to provide a rapid and high quality response to development applications which will inform internal and external parties of environmental and social constraints and opportunities on a site by site basis and to accurately evaluate all natural systems and habitats within the Municipal area. We help to implement the City's Environmental Strategy for environmental legislation and work with numerous other departments and external partners to ensure the City's long-term environmental sustainability.

LAND SURVEY

This unit performs various functions related to land and this include the following:

1. Dealing with the establishment of new townships and minor subdivisions of land
2. Provide required cadastral advice on land development matters
3. Provide engineering survey services to various departments for Municipal projects
4. Manage cadastral data for the City

In the last financial year, the unit appointed a service provider on a 3-year contract to assist the Municipality in cleaning and updating the property data.

The Unit is continuously involved in the title deed restoration programme by assisting the appointed conveyancers in issuing clearance certificates as required by the Registrar of Deeds

With limited resources, the unit manages the Wayleaves section through two seconded employees.

The section conducted various designs and surveys for the eThembeni Cemetery.

Through its drawing component, the section produced numerous plans for land disposal for strategic properties as managed by the LED unit. Lease plans were also generated in assisting the Real Estates Unit.

CHALLENGES:

1. Lack of general assistants that help out a surveyor in the field
2. No Chief Technician to manage junior surveyors.
3. Survey equipment and software is extremely limited
4. Covid restrictions did not allow the unit to operate optimally

GREATER EDENDALE AND DEVELOPMENT INITIATIVE

GEVDI is a sub unit that deals with a myriad of developmental issues. GEVDI deal with the acquisition of private land for the redevelopment of the greater Edendale area and the GEVDI area is confronted by many land legal impediments that the sub unit is also tasked with addressing. The other facet of GEVDI is to drive planning in the GEVDI area through the formulation of strategic plans, technical advice and planning individual projects.

GEVDI dealt with many projects and other service delivery initiatives, below are some of the key projects on Infrastructure Delivery, Service Delivery and Economic development objectives:

- Edendale Land Acquisition
- Edendale Town Centre: Planning Old Edendale and Town Center Roads
- Edendale Corridor Development Framework and Implementation Plan
- Edendale Town Centre: Technical Assistance on Environmental Compliance [WULA submission] Phase Two
- Edendale Town Centre: Feasibility report on Civic Zone
- Edendale Town Centre: Technical Assistance on Environmental Compliance [BAR submission] Phase Two

CHALLENGES

The transition from working face to face was a challenge as some people did not have access to virtual platforms
The consultation on projects were challenging to do and attendance was not great in other due to the Covid-19 pandemic

The land acquisition programme was affected by the rollover of funds and has been momentarily halted which affects the momentum that has been built up on the programme.

The training of in terns has been a great challenge due to the new found work order due to the various lockdown levels

EMPLOYEE INFORMATION – TOWN PLANNING AND ENVIRONMENTAL MANAGEMENT

EMPLOYEE: TOWN PLANNING AND ENVIRONMENTAL MANAGEMENT					
BUILDING CONTROL, ENVIRONMENTAL HEALTH, ENVIRONMENTAL MANAGEMENT, GEDVI, LAND SURVEY & TOWN PLANNING					
Job Level	2019/2020	2020/2021			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents No.	Vacancies (as a % of total posts) %
T01–T03	25	33	23	10	30
T04-T08	10	18	11	7	39
T09–T13	64	151	65	86	57
T14-T18	16	28	15	13	46
T19-T22	1	1	1	0	0
T23-T25	0	0	0	0	0
Total	116	231	115	116	50

FINANCIAL PERFORMANCE – TOWN PLANNING AND ENVIRONMENTAL MANAGEMENT

FINANCIAL PERFORMANCE 2020/2021: TOWN PLANNING AND ENVIRONMENTAL MANAGEMENT					
R'000					
BUILDING CONTROL, ENVIRONMENTAL HEALTH, ENVIRONMENTAL MANAGEMENT, GEDVI, LAND SURVEY & TOWN PLANNING					
Details	2019/2020	2020/2021			
	Actual	Original Budget	Adjustment Budget	Actual	Variances to Adjusted Budget %
Total Operational Revenue (excl. tariffs)	-7 644	-40 688	-137 729	-119 856	-12%
Expenditure:					
Employees	33 610	65 488	63 874	62 676	-12%
Repairs and Maintenance	576	692	850	344	-1.8%
Other	6 844	17 721	32 747	7 195	78%
Total Operational Expenditure	41 030	83 901	97 471	70 215	-27%
Net operational (Service) Expenditure	33 386	43 213	40 285	49 641	23%
Variances are calculated as follows: Actual expenditure – Adjusted budget divided by the Adjusted budget x 100.					

CAPITAL EXPENDITURE – TOWN PLANNING AND ENVIRONMENTAL MANAGEMENT

CAPITAL EXPENDITURE 2020/2021: TOWN PLANNING AND ENVIRONMENTAL MANAGEMENT					
					R'000
BUILDING CONTROL, ENVIRONMENTAL HEALTH, ENVIRONMENTAL MANAGEMENT, GEDVI, LAND SURVEY & TOWN PLANNING					
Details	2020/2021				
	Budget	Adjustment Budget	Actual Expenditure	Variances to Adjusted Budget %	Total Project Value
Total All					
LEVS:AH:NEW:COMPUTER EQUIPMENT		200	97	-51%	
CGTAC:Z3:MANYALA HALL PROJECTS		210	210	-0%	
CGTAC:Z3:YOUTH ENTERPRISE PARK		2 647	2 596	-1%	
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate) Variances are calculated as follows: Actual expenditure – Adjusted budget divided by the Adjusted budget x 100.					

TOWN PLANNING AND ENVIRONMENTAL MANAGEMENT POLICY OBJECTIVES TAKEN FROM THE IDP

TOWN PLANNING & ENVIRONMENTAL MANAGEMENT															
SDBIP REFERENCE	PERFORMANCE REPORTING 2019/2020 FY - ANNUAL PROGRESS REPORT			SDBIP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	BASELINE / STATUS QUO	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL 2019/2020 FY PROGRESS REPORT								ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)						ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
TP&EM 1	17000 sites baited and/or treated for Vector Control in the 2019/2020 FY by the 30th of June 2020	17064 sites baited and/or treated for Vector Control in the 2019/2020 FY by the 30th of June 2020	3 (100% - 129%)	TP & EM 01	NKP A 6 - CROSS CUTTING	Safeguarding the environment for the optimal health of the Community	17000 sites baited and/or treated for Vector Control	17000 sites baited and/or treated for Vector Control in 2019/2020 FY	17000 sites baited and/or treated for Vector Control in the 2020/2021 FY by the 30th of June 2021	17224sites baited and/or treated for Vector Control in the 2020/2021 FY by the 30th of June 2021	3 (100% - 129%)	N/A	N/A	N/A	Vector Control Registers
	R60 000.00	R30,034,18	N/A						R60 000.00	R60 000.01	N/A	N/A	N/A	N/A	N/A
TP&EM 2	960 Food samples and swabs taken & analysed in the 2019/2020 FY by the 30th of June 2020	960 Food samples and swabs taken & analysed in the 2019/2020 FY by the 30th of June 2020	3 (100% - 129%)	TP & EM 02	NKP A 6 - CROSS CUTTING	Safeguarding the environment for the optimal health of the Community	960 Food samples and swabs taken & analyzed in the 2020/2021 FY	960 Food samples and swabs taken & analyzed in the 2019/2020 FY	960 Food samples and swabs taken & analyzed in the 2020/2021 FY by the 30th of June 2021	961 Food samples and swabs taken & analysed in the 2020/2021 FY by the 30th of June 2021	3 (100% - 129%)	N/A	N/A	N/A	Laboratory reports
	R78241.00	R652,313,86	N/A						R102 000.00	R102 000.01	N/A	N/A	N/A	N/A	N/A
TP&EM 3	1020 water samples taken & analysed for Water Quality Control in the 19/20 FY by the 30th of June 2020	1217 water samples taken & analysed for Water Quality Control in the 19/20 FY by the 30th of June 2020	3 (100% - 129%)	TP & EM 03	NKP A 6 - CROSS CUTTING	Safeguarding the environment for the optimal health of the Community	1020 water samples taken & analyzed for Water Quality Control	1020 water samples taken & analyzed for Water Quality Control in 2019/2020 FY	1020 water samples taken & analyzed for Water Quality Control in the 2020/2021 FY by the 30th of June 2021	1174 water samples taken & analysed for Water Quality Control in the 2020/2021 FY by the 30th of June 2021	3 (100% - 129%)	N/A	N/A	N/A	Laboratory reports
	R39 122.50	R23,701,17	N/A						R39 122.50	R39 122.51	N/A	N/A	N/A	N/A	N/A

TOWN PLANNING & ENVIRONMENTAL MANAGEMENT															
SDBIP REFERENCE	PERFORMANCE REPORTING 2019/2020 FY - ANNUAL PROGRESS REPORT			SDBIP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	BASELINE / STATUS QUO	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL 2019/2020 FY PROGRESS REPORT								ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)						ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
TP&EM 4	800 water samples taken & analysed for Water Quality Control in the 19/20 FY by the 30th of June 2020	758 water samples taken & analysed for Water Quality Control in the 19/20 FY by the 30th of June 2020	2 (70% - 99%)	TP & EM 04	NKP A 6 - CROSS CUTTING	Safeguarding the environment for the optimal health of the Community	800 water samples taken & analysed for Water Quality Control	800 water samples taken & analysed for Water Quality Control in 2019/2020 FY	800 water samples taken & analysed for Water Quality Control in the 2020/2021 FY by the 30th of June 2021	807 water samples taken & analysed for Water Quality Control in the 2020/2021 FY by the 30th of June 2021	3 (100% - 129%)	N/A	N/A	N/A	Laboratory reports
	R39 122.50	R23,701,17	N/A						R39 122.50	R39 122.51	N/A	N/A	N/A	N/A	N/A

COMMENT ON THE PERFORMANCE OF TOWN PLANNING AND ENVIRONMENTAL MANAGEMENT OVERALL

Town Planning was able to process the majority of development planning applications and building plans within the legislated timeframe. The subject unit successfully completed the Scottsville/Pelham Local Area Plan and the Revision of Municipal Bylaws within the 2020/21 financial year, as per the set annual target. The department was able to successfully adapt into the electronic submission and processing of land development applications and building plans through emails.

GEVDI has managed to spend majority of its grant funding for capex in the purchase and expropriation of land through signing of sale agreements

No. Properties Acquired	Purchase Price (Capital Expenditure)
45 properties	R19 000 000

The unit managed to get approval for the Traffic Impact assessment for the Edendale Town center layout
GEVDI managed to get approval from national treasury to go into detailed Feasibility on the Civic Zone and produced a financial model that showed how the project can be made viable. The unit managed to get in house GIS services for day to day functions.

The standardization of a valuation framework was achieved for land acquisition through the compilation and approval of the benchmark report and valuation guidelines by full council Securing R98 Million funding approval for the 3 years' business plan for the acquisition of land Edendale from the Department of Human Settlements.

The Operating expenditure for the land acquisition funding was not fully spent, 10 % of the OPEX was not spent and funds had to be rolled over.

Secure internal resources to fill posts to fill critical posts To have a project programme that deals with immediate priorities of the unit and department and improve stakeholder relationships through having more frequent stakeholder meeting with active participation.

The Sub-Unit has performed satisfactory as most of compliance Strategic Plans which include the reviewed of the Strategic Development Framework Plan as well as the preparation of a Wall to Wall Scheme was undertaken during 2020-21 Financial Year. 99% of Tranche 2 Grant funding was spend, and by the end of June, the Sub-Unit was sitting at 85% of the Grant funding which was received on the 30th of March 2021.

In terms of vacancy rate, the Sub-Unit is sitting at 50% of un-filled position, these include the filling of management positions as the position of a Manager for Town Planning, Manager for Building Control and the Manager for Environmental Management are still un-filled.

3.4. CITY ENTITIES

INTRODUCTION TO CITY ENTITIES

City entities is a sub-unit of Sustainable Development and City Entities Business unit and is made up of six sections as listed below:

- Airport
- Market
- Tourism
- Tatham Art Gallery
- Forestry
- Safe City

The Airport, Market and Forestry are income generating business units. Tourism, and Tatham Art Gallery enhance the income generation of the municipality through attraction into the city. Safe City is the only established entity within City Entities and aids in revenue enhancement as a support function other departments within the municipality.

The sub-unit has been affected by the general economic decline in the country and the global pandemic Covid-19 that lead to the shut down of commercial activities. This had a negative impact on the trading entities revenue. The recovery from the effects of lockdown have been slow as the country has not stabilized.

Safe City and the Market continued with daily operations as essential service providers throughout all the levels of lockdown. Although the market continued operating as an essential service during the lockdown, activity was low as a result of deteriorating disposable income.

The airport has been adversely affected throughout the financial year of 20/21. The lockdown came with a total shut down of the activities at the airport. Operations only resumed in October of 2021 where it was operating at 30% capacity due to the extreme decline in passenger numbers. All the kiosk [shops] and the restaurant at the airport had to shut down due to not enough foot traffic at the airport to sustain their operation. The business unit is still struggling with attracting business onto the airport as the sustainability and profitability of business is still not certain. However, the compliance standards as per regulator are still adhered to and maintained within the business unit.

The majority of Municipal owned airports are not sustainable without ongoing financial support. Airports that have attracted more than one scheduled operator; regular charter operations, or a number of flying schools and clubs, are typically closer to being sustainable.

An amount of R2 500 000 was received by the business unit from EDTEA for airport infrastructure projects. This funding was used to complete the clearvu parameter fence and installation of emergency gates.

Market remains operational and striving. The post of market manager was filled permanently. Repairs and maintenance of cold rooms remains a challenge largely due to the age of the cold-rooms. The security issues that the market was faced with are being addressed and yielding noticeable results and improvement. The business unit has since moved to a cashless system.

Tourism has also been adversely affected by lockdown. This subunit had to cancel most of its planned activities as they could not be executed. Additional to this, the budget that was allocated to the business unit was taken away to fulfil other municipal functions. The business unit remains volatile and uncertain of what the future of tourism will be as the resurrection of its functions thereof. This subunit shall be moving to Development Services as per new organogram.

Tatham Art Gallery, was also closed for the first quarter of the financial year as it falls under museums which were only due to operate from level 2 onwards. The programs and exhibitions that were scheduled were moved around with the changing stages of lockdown. The planned annual exhibitions were met eventually. This business unit operates largely on grant funding received from the department of arts and culture. As per new organogram, the business unit will move to Community Services.

The forestry has been the most challenging subunit. Having been operated for years as an outsourced function, managing it as a municipal unit came immense challenges. A decision to outsource the plantation has been revised and has been approved. The department has initiated the procurement process to outsource this subunit. In the interim, the department is attempting to meet the regulatory and operational requirements as best as feasibly possible. On site, there is a security company on a 24hr patrol basis, this has drastically reduced the timber theft and looting activity at the plantation.

Safe City remains operational with aging infrastructure challenges. Safe City is monitoring hundred and sixty-nine (169) CCTV cameras on a 24/7 basis. Seventy-one (71) cameras are located in the CBD, Freedom Square Taxi Rank, Northdale and Scottsville areas. Ninety-eight (98) cameras are located at eight primary electrical substations. Safe City strives to be a center of excellence hence maintains an ISO 9001:2015 accreditation. The control room is the only street surveillance control room in the country which can boast with such an accreditation.

SERVICE STATISTICS FOR ART GALLERY 2020/2021

The number of visitors to the Gallery decreased from 15932 in 2019/20 to 12297 in 2020/21. This decrease is a direct result of the Gallery being closed to the public for three and a half months during the National Lockdown.

EMPLOYEE INFORMATION – CITY ENTITIES

EMPLOYEE: CITY ENTITIES					
AIRPORT, GALLERY AND THEATRE, MARKET & TOURISM					
Job Level	2019/2020	2020/2021			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents No.	Vacancies (as a % of total posts) %
T01–T03	14	22	13	9	41
T04–T08	31	41	30	11	27
T09–T13	14	19	12	7	37
T14–T18	2	4	3	1	25
T19–T22	1	1	0	1	100
T23–T25	0	0	0	0	0
Total	62	87	58	29	33

FINANCIAL PERFORMANCE – CITY ENTITIES

FINANCIAL PERFORMANCE 2020/2021: CITY ENTITIES					
R'000					
AIRPORT, GALLERY AND THEATRE, MARKET & TOURISM					
Details	2019/2020	2020/2021			
	Actual	Original Budget	Adjustment Budget	Actual	Variances to Adjusted Budget %
Total Operational Revenue (excl. tariffs)	-31 908	-64 098	-64 513	-14 583	-77%
Expenditure:					
Employees	15 215	15 994	17 835	17 711	0.69%
Repairs and Maintenance	2 033	4 728	8 759	6 735	-23%
Other	11 493	26 488	24 811	18 887	-23%
Total Operational Expenditure	28 741	47 210	51 405	43 333	-15%
Net operational (Service) Expenditure	-3 167	-16 888	-13 108	-28 750	119%
Variances are calculated as follows: Actual expenditure – Adjusted budget divided by the Adjusted budget x 100.					

CAPITAL EXPENDITURE – CITY ENTITIES

CAPITAL EXPENDITURE 2020/2021: CITY ENTITIES					
R'000					
AIRPORT, GALLERY AND THEATRE, MARKET & TOURISM					
Details	2020/2021				
	Budget	Adjustment Budget	Actual Expenditure	Variances to Adjusted Budget %	Total Project Value
Total All					
ART:Z4:NEW:MACHINERY & EQUIP AIR	0	147	142	-3%	
PRVOT:Z4:NEW AIRPORT FENCE	2 500	2 500	2 173	44%	
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate) Variances are calculated as follows: Actual expenditure – Adjusted budget divided by the Adjusted budget x 100.					

CITY ENTITIES POLICY OBJECTIVES TAKEN FROM THE IDP

CITY ENTITIES															
SDBIP REFERENCE	PERFORMANCE REPORTING 2019/2020 FY - ANNUAL PROGRESS REPORT			SDBIP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	BASELINE / STATUS QUO	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL 2019/2020 FY PROGRESS REPORT								ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)						ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
CE 01	7 x Msunduzi Art Exhibitions held by the 30th of June 2020	7 Msunduzi Art Exhibitions held by the 30th of June 2020	3 (100% - 129%)	CE 01	NKPA 2 - BASIC SERVICE DELIVERY	Community Outreach Programme	6 x new Msunduzi Art Exhibitions held	10 Art Exhibitions	6 x new Msunduzi Art Exhibitions held by the 31st of May 2021	7 x new Msunduzi Art exhibitions held by 31 May 2021	3 (100% - 129%)	additional exhibition offered to TAG during the financial year	N/A	N/A	POE, Outline document, social media coverage, photographs
	1,600,000	1600000	N/A						41604	N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	CE 02	NKPA 2 - BASIC SERVICE DELIVERY	Exit roller doors	4 x Exit Roller Doors to be installed at PMB Marke	4 exit roller doors to be refurbished by June 2020	4 x Exit Roller Doors to be installed at PMB Market in the 20/21 FY by the 31st of January 2021	4 x Exit roller doors to be refurbished by 31 January 2021	3 (100% - 129%)	N/A	N/A	N/A	Invoice
									918,000	N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A												
CE 05	169 CCTV Cameras to be monitored 24 hours in all areas with CCTV coverage by the 30th of June 2020	169 CCTV Cameras to be monitored 24 hours in all areas with CCTV coverage by the 30th of June 2020	3 (100% - 129%)	CE 04	NKPA 6 - CROSS CUTTING	Crime, Bylaw. Sub Station and Monitoring through CCTV Cameras	169 x CCTV Cameras to be monitored	169 CCTV Cameras monitored 24 hours in all areas with CCTV coverage by the 30th of June 2020	169 CCTV Cameras to be monitored 24 hours in all areas with CCTV coverage by the 30th of June 2021	169 CCTV Cameras monitored 24 hours in all areas with CCTV coverage by the 30th of June 2021	3 (100% - 129%)	N/A	N/A	N/A	Monthly reports to Sm City Entities
	R3 271 519	R2 267 121	N/A						R14 369 886	R11,203,383	N/A	N/A	N/A	N/A	Monthly reports to SM City Entities

CITY ENTITIES															
SDBIP REFERENCE	PERFORMANCE REPORTING 2019/2020 FY - ANNUAL PROGRESS REPORT			SDBIP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	BASELINE / STATUS QUO	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL 2019/2020 FY PROGRESS REPORT								ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)						ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
CE 06	12 x Monthly Reports of criminal incidents detected by CCTV Cameras prepared and submitted to the SM: City Entities within 7 days after month end by the 30th of June 2020	12 x Monthly Reports of criminal incidents detected by CCTV Cameras prepared and submitted to the SM: City Entities within 7 days after month end by the 30th of June 2020	3 (100% - 129%)	CE 05	NKPA 6 - CROSS CUTTING	Crime, Bylaw. Sub Station and Monitoring through CCTV Cameras	12 x Monthly Reports of criminal incidents detected by CCTV Cameras	12 x Monthly Reports of criminal incidents detected by CCTV Cameras prepared and submitted to the SM: City Entities by the 30th of June 2020	12 x Monthly Reports of criminal incidents detected by CCTV Cameras prepared and submitted to the SM: City Entities within 7 days after month end by the 30th June 2021	12 x Monthly Reports of criminal incidents detected by CCTV Cameras prepared and submitted to the SM: City Entities within 7 days after month end by the 30th June 2021	3 (100% - 129%)	N/A	N/A	N/A	Monthly reports to Sm City Entities
	N/A	N/A	N/A						N/A	N/A	N/A	N/A	N/A	N/A	N/A

COMMENT ON THE PERFORMANCE OF CITY ENTITIES OVERALL

Pietermaritzburg airport being a municipal owned airport faces budget and financial sustainability constraints. Human capital within the aviation industry is an ongoing issue which places immense pressure on the current operational and compliance demands.

Although the food industry as a whole is facing decline on sales due to economic conditions and COVID19 that is affecting the whole country. We are working closely with our local wholesalers and street vendors in order to keep them buying in our market, also we are working together with UMgungundlovu Development agency in order to assist small scale farmers with the alternative market.

Due to lack of staff, budget, general support from management and the current lockdown regulations due to the Covid-19 restrictions, has prevented the unit from achieving its objectives. As a result, the Tourism unit has been reliant on the CTO, which is an external organization funded by the municipality, to execute the Tourism mandate.

The Tatham Art Gallery has an active Exhibitions and Education programme, which includes Outreach to marginalized sectors of the community, however it is extremely challenging to continue to meet targets and expand programmes without the appointment of a Manager. This post has been vacant for 33 months, and all staff are required to assume added responsibilities as a result.

The added failure of the Municipality to provide funding for the extensive building maintenance required, has resulted in both internal and external infrastructure decay. The roof leaks, which have damaged display areas have slowly destroyed the building. In addition, the Old Presbyterian Church building, is the Outreach wing of the Gallery, was infested by termites in 2017. To date, no funding has been provided by Council for either the Gallery building or the Old Presbyterian Church. Priority funding is required to preserve both buildings, which are national monuments.

The performance of Safe City in its entirety can be described as good as we have achieved and even exceeded some of our targets which was set for 2020/21. We maintained a very healthy working relationship with our operational partners and also with the Msunduzi Municipality who is funding the project.

There are however a number of concerns which needs to be highlighted.

The current street surveillance system which has been in operation since January 2003 is an analogue system which can no longer adequately meet the needs of our operational partners. Whilst the system which monitors the electrical substations is a digital system with Video Analytics the street surveillance system has no such features. Video Analytics reduces the work load on an operator hence the operator can effectively monitor more cameras whilst the analogue cameras need to be operated by hand. Spares for the analogue system can no longer be obtained over the counter and has to be made which drastically increases repair costs. We also urgently need to upgrade our Control Room software in order to stay abreast with newer technology.

COMPONENT D: CORPORATE SERVICES BUSINESS UNIT

This component includes Legal Services, Secretariat & Auxiliary Services, and Information Communication Technology & Human Resources.

4. CORPORATE SERVICES

4.1. LEGAL SERVICES

Legal Services provides legal support to the Municipality in providing legal comments, opinions and advice to all Business Units. In addition, thereto, the unit undertakes the management of civil litigation in the High and District Courts including interdicts and criminal prosecutions relating to the contravention of bylaws and other laws governing local governance. The unit also provides input on policies.

The unit is also responsible for the review, drafting and promulgation of new and existing bylaws.

Furthermore, the legal advisors sit on Bid Committees as ex officio members, are alternate Municipal Manager's Representatives at Full Council and Executive Committee, as well as various other forums established for the efficient operations in the Municipality.

THE 3 TOP SERVICE DELIVERY PRIORITIES ARE:

1. Bylaws
2. Legal representation for Civil Litigation, and criminal litigation
3. Provision of legal advice, opinions to Council.

IMPACT:

- The Waste Management Bylaws were reviewed, but the processes towards approval were halted due to insufficient budget allocation for the project for which the amendment to the bylaws was intended. No Bylaws were promulgated in the last financial year, but the Credit Control and Debt Collection Bylaws were published for comment.
- We achieved 100% legal representation in both civil and criminal matters. This is bearing in mind that in some instances, this KPA was not applicable due to the closure of Courts for ordinary matters, during the early stages of the lockdown, due to the COVID 19 pandemic.
- With regard to legal advice, comments and opinions our impact has been less than 100%, having achieved a score of 2 on the SDBIP. Our target was to provide legal advice opinions and comments within 10 days from receiving a request. Whilst all requests were met, some were provided outside the 10-day period due to the following:
 - Staffing Constraints and vacancies in the unit,
 - Disruption of operations due to the lockdown as a result of the COVID 19 pandemic;
 - Other urgent priorities;
 - Work distribution not optimal;
 - Legal briefs not containing all relevant information.

MEASURES TAKEN TO IMPROVE PERFORMANCE AND MAJOR EFFICIENCIES:

- The Standard Operating Procedures for accessing legal services were approved in July 2020 and have been in implementation since.
- Improve the legal brief process to ensure all relevant information contained in brief.
- Reviewed and improved work distribution.
- Extended contracts for temporary employees.
- Prioritised vacant posts to be advertised- 2 posts were advertised and filled.
- Two members of staff on a short course on Legislative Drafting.
- Refreshed staff and service providers on the process for the payment of service providers.
- Maintained compulsory meeting with the attorneys for monthly reports and issues relating to performance.

SERVICE STATISTICS FOR LEGAL SERVICES

- Achieved 100% legal representation on all civil and criminal matters.
- Achieved 100% input on policies.
- Provided legal input and made recommendations on insurance claims against the municipality.
- Successfully took over the labour relations function from the Office of the MM. This new target of legal representation in labour relations matters was achieved 100%.
- Reported on contingent liabilities, particularly the steady reduction of same, on a quarterly basis.
- Reviewed fines were submitted to the Chief Magistrate for approval.
- The Debt Collection and Credit Control Bylaws were published for comment in June 2020, whilst the review of the Waste Management Bylaws was completed and the amendment approved by Management.

INTRODUCTION TO BY-LAWS

Legal Services focused on the Waste Management Bylaws in this financial year.

BY-LAWS INTRODUCED DURING 2020/21					
Newly Developed	Revised	Public Participation adopted prior to adoption of By-laws (Yes/No)	Dates of Public Participation	By-laws gazette (Yes/No)	Date of Publication
	Waste Management Bylaws	No	N/A	N/A	N/A
	Debt Collection and Credit Control Bylaws	Yes	June 2020	No	N/A

COMMENT ON BY-LAWS

Waste Management Bylaws: Legal Services identified 1 bylaw for review in the financial year: an amendment to the Waste Management Bylaws. The business unit resolved to implement the Waste Minimisation and Diversion Strategy, entailing separation at source and possibly an Integrated Waste Plant. Therefore, if the service is provided to the promised quality and is reliable. However, the business unit did not acquire the required budget allocation in order to implement the strategy. Therefore, whilst the amendment to the Bylaw was approved by the SMC, the Bylaw was not published for public comment or forwarded to Council for approval. These processes are suspended pending the go ahead from the business unit.

Bylaw Review Project: The project was initiated at the request of the Ministerial Representative to the Municipality. It seeks to address the longstanding list of Municipal Bylaws in order to bring them up to date. A call for submission on the required amendments was made to business units. Pursuant to submissions received, as well as based on the consideration of other relevant factors, such as legislative changes and compliance requirements. The outcome is that revenue related Bylaws were prioritised. In the new financial year, the Credit Control and Debt Collection Bylaws, Electricity Bylaws, Water Services Bylaws, Tariff Bylaws and Indigent Bylaws.

EMPLOYEE INFORMATION – LEGAL SERVICES

EMPLOYEE: LEGAL SERVICES					
Job Level	2019/2020	2020/2021			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents No.)	Vacancies (as a % of total posts) %
T01–T03	1	1	1	0	0
T04-T08	1	1	1	0	0
T09–T13	4	6	0	6	100
T14-T18	4	11	7	4	36
T19-T22	1	1	1	0	0
T23-T25	0	0	0	0	0
Total	11	20	10	10	50

FINANCIAL PERFORMANCE – LEGAL SERVICES

FINANCIAL PERFORMANCE 2020/2021 LEGAL SERVICES (502)					
					R'000
Details	2019/2020	2020/2021			Variances to Adjusted Budget %
	Actual	Original Budget	Adjustment Budget	Actual	
Total Operational Revenue (excl. tariffs)	0	0	-257	0	-100%
Expenditure:					
Employees	8 358	9 309	8 962	8 904	-0.65%
Repairs and Maintenance	0	0	0	0	0
Other	6 337	4 259	5 267	4 406	-16.35%
Total Operational Expenditure	14 695	13 568	14 229	13 310	-6%
Net operational (Service) Expenditure	14 695	13 568	13 972	13 310	-4.74%
Variances are calculated as follows: Actual expenditure – Adjusted budget divided by the Adjusted budget x 100.					

CAPITAL EXPENDITURE – LEGAL SERVICES

CAPITAL EXPENDITURE: LEGAL SERVICES (502)					
					R'000
Details	2020/2021				
	Budget	Adjustment Budget	Actual Expenditure	Variances to Adjusted Budget %	Total Project Value
Total All	0				

LEGAL SERVICES POLICY OBJECTIVES TAKEN FROM IDP

SUB UNIT: LEGAL SERVICES														
OP REFERENCE	PERFORMANCE REPORTING 2019/2020 FY - ANNUAL PROGRESS REPORT			OP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	BASELINE / STATUS QUO	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL 2019/2020 FY PROGRESS REPORT							ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4, 5, Not Applicable)					ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4, 5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
LGL 01	1 X SPECIFIED BYLAWS SUBMITTED TO SMC for approval and onward transmission to Full Council (Rules of Order Bylaws) by the 30th of June 2020	1 X SPECIFIED BYLAWS SUBMITTED TO SMC for approval and onward transmission to Full Council (Rules of Order Bylaws) by the 30th of June 2020	3 (100% - 129%)	LGL 01	NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT	Governance	1. Rules of Order ByLaws 2. SPLUMA ByLaws	1 X BYLAW (Waste Management ByLaw) submitted to SMC for onwards transmission to Full Council for approval by the 30th of June 2021	1 X BYLAW (Waste Management ByLaw) submitted to SMC for onwards transmission to Full Council for approval by the 30th of June 2021	3 (100% - 129%)	N/A	N/A	N/A	Report to SMC and Resolution
	R3,600 000	12154.82	N/A					R28427	N/A	N/A	N/A	N/A	N/A	N/A
LGL 02	1 X SPECIFIED BYLAWS SUBMITTED TO SMC for approval and onward transmission to Full Council (SPLUMA) by the 30th of June 2020	1 X SPECIFIED BYLAWS PREPARED but NOT SUBMITTED TO SMC for approval and onward transmission to Full Council (SPLUMA) by the 30th of June 2020	2 (70% - 99%)	LGL 02	NKPA 6- CROSS CUTTING	Legal Representation	100% Legal representation in all civil matters in 2019/20	100% Legal representation provided in all civil matters as and when required by the 30th of June 2021	100% Legal representation provided in all civil matters as and when required by the 30th of June 2021	3 (100% - 129%)	N/A	N/A	N/A	Summonses , Notices and Pleadings
	R3,600 000	12154.82	.					R3762000	N/A	N/A	N/A	N/A	N/A	N/A
LGL 03	100% Provision of legal representation(notices of application and summons) in all civil matters as and when required by the 30th June 2020	100% Provision of legal representation(notices of application and summons) in all civil matters as and when required by the 30th June 2020	3 (100% - 129%)	LGL 03	NKPA 6- CROSS CUTTING	Legal Representation	80% legal briefs attended within 10 working days in accordance with the approved legal briefing procedure by	100% of legal briefs attended to within 10 working days in accordance with the approved legal briefing procedure by the 30th of June 2021	100% of legal briefs attended to within 10 working days in accordance with the approved legal briefing procedure by the 30th of June 2021	2 (70% - 99%)	1 Brief utilised in a training exercise	Close monitoring of performance of mentored personnel	Ongoing	Legal Comments and opinions

SUB UNIT: LEGAL SERVICES														
OP REFERENCE	PERFORMANCE REPORTING 2019/2020 FY - ANNUAL PROGRESS REPORT			OP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	BASELINE / STATUS QUO	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL 2019/2020 FY PROGRESS REPORT							ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4, 5, Not Applicable)					ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4, 5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
	N/A	N/A	N/A				30 of June 2020	N/A	N/A	N/A	N/A	N/A	N/A	N/A
LGL 04	100 % legal briefs dealt with by Legal Services within 10 working in accordance with the approved legal briefing procedure by the 30th of June 2020	100 % legal briefs dealt with by Legal Services within 10 working in accordance with the approved legal briefing procedure by the 30th of June 2020	3 (100% - 129%)	LGL 04	NKPA 6-CROSS CUTTING	Legal Representation	80% Contracts attended within 15 working days	100% of all Contracts requiring Legal drafting and/or inputs attended to within 15 working days after the acknowledgment of brief and all applicable information required submitted to Legal Services by the 30th of June 2021	100% of all Contracts requiring Legal drafting and/or inputs attended to within 15 working days after the acknowledgment of brief and all applicable information required submitted to Legal Services by the 30th of June 2021	3 (100% - 129%)	N/A	N/A	N/A	Contract and correspondence
	N/A	N/A	N/A					N/A	N/A	N/A	N/A	N/A	N/A	N/A

COMMENT ON THE PERFORMANCE OF LEGAL SERVICES OVERALL:

The SDBIP provides an indication of what has been achieved and the deficiencies. For the sake of brevity, same will not be repeated as the information is contained in the tables above.

The performance target relating to legal advice, comments and opinions is the only target where the impact was less than 100% on the SDBIP. Our target was to provide legal advice opinions and comments within 10 days from receiving a request. Whilst all requests were met, some were provided outside the 10-day period due to the reasons stated above. The impact of the lockdown due to the COVID -19 virus was a significant factor coupled with the high vacancy rate within the unit. Notwithstanding these challenges, the Legal Team utilised all available resources to ensure service delivery objectives are achieved by employing technological tools, to adjust and migrate in order to operate in the available environment.

As a result, all other targets were met under 100%. There were in respect of the Bylaws, legal representation in civil matters and criminal prosecutions. The target for the review of policies was met notwithstanding that; the target was added at medium term. Lastly, the unit took over the Labour Relations functions from the Office of the Municipal Manager mid -ear and impressively met the target of 100% legal representation in labour matters.

4.2. SECRETARIAT AND AUXILIARY SERVICES

INTRODUCTION TO SECRETARIAT AND AUXILIARY SERVICES

The Secretariat and Auxiliary Services unit is a sub-unit of the Corporate Services Business unit and is responsible for Archives, Registry and Information, Printing Services and Secretariat Services.

ORGANIZATIONAL UNITS WITHIN SECRETARIAT & AUXILIARY SERVICES

ARCHIVES, REGISTRY AND INFORMATION

This Sub-Unit is responsible for the keeping of all records generated by the Municipality and those received from outside the Municipality in accordance with the Council's Records Management Policy and relevant legislation, to archive the old and dispose obsolete records and to distribute agendas for the meetings of Council and Council structures. It also provides messenger services to the Unit for Council related correspondence.

PRINTING SERVICES

The Sub-Unit renders organization-wide printing services which entail ordinary printing and high volume printing and binding of standard documents and registers through lithographic and high speed copying.

The turnaround time for all the requests made for printing and binding works is two days. This target was however not met in some cases due to the fact that the printing machines were always down and the repair services response time was slow.

SECRETARIAT SERVICES

The Sub-Unit is responsible to render secretariat, translation and interpretation services to the meetings of Council, Council structures and administrative structures. The secretariat services briefly entail issuing out of notices and agendas of meetings and taking of minutes of meetings. It further includes translation of agendas and minutes and rendering of interpretation services to some of the meetings.

The targets which this Sub-Unit has are the weekly and monthly issuing of schedules of meetings and these targets were all met. The target that was not consistently met is for the compilation of the minutes of all meetings within seven days after the meeting. The failure to meet this target was due to the fact that the Secretariat Manager was the only one responsible to manage and provide quality checks to the work of twenty Committee Officers and could not cope with the amount of work generated by twenty Committee Officers.

SERVICE STATISTICS FOR SECRETARIAT & AUXILIARY SERVICES

PORTFOLIO MEETING STATISTICS FOR THE 2020/2021 FY

NUMBER AND TYPE OF COUNCIL COMMITTEE MEETINGS:			
ITEM	NUMBER OF MEETINGS FOR THE 2020/2021 FY	NUMBER OF MEETINGS AT WHERE COMMITTEE OFFICER SERVICES WHERE PROVIDED	NUMBER OF MEETINGS AT WHERE TRANSLATION/INTERPRETATION SERVICES WHERE PROVIDED
Full Council	20	20	20
Executive Committee	28	28	28
Corporate Services	10	10	10
Financial Services	13	13	NONE
Infrastructure Services	12	12	12
Community Services	11	11	7
Sustainable Development & City Enterprises	11	11	10
Municipal Public Accounts Committee	14	14	14

EMPLOYEE INFORMATION – SECRETARIAT & AUXILLIARY SERVICES

EMPLOYEE: SECRETARIAT & AUXILLIARY SERVICES					
Job Level	2019/2020	2020/2021			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents No.	Vacancies (as a % of total posts) %
T01–T03	0	4	0	4	100
T04-T08	8	10	7	3	30
T09–T13	36	42	32	10	24
T14-T18	2	3	2	1	33
T19-T22	0	0	0	0	0
T23-T25	0	0	0	0	0
Total	46	59	41	18	31

FINANCIAL PERFORMANCE – SECRETARIAT & AUXILIARY SERVICES

FINANCIAL PERFORMANCE 2020/2021 SECRETARIAT AND AXILLIARY SERVICES (303077/505/506/507)					
R'000					
Details	2019/2020	2020/2021			
	Actual	Original Budget	Adjustment Budget	Actual	Variances to Adjusted Budget %
Total Operational Revenue (excl. tariffs)	0	0	0	0	0
Expenditure:					
Employees	23 679	26 957	26 725	23 261	-12.96%
Repairs and Maintenance	11	741	741	168	-77.33%
Other	-2 581	3 261	2 987	-21	-100%
Total Operational Expenditure	21 109	30 959	30 453	23 408	-23.13%
Net operational (Service) Expenditure	21 109	30 959	30 453	23 408	-23.13%

CAPITAL EXPENDITURE – SECRETARIAT & AUXILIARY SERVICES

CAPITAL EXPENDITURE: SECRETARAIT AND AXILLIARY SERVICES					
R'000					
Details	2020/2021				
	Budget	Adjustment Budget	Actual Expenditure	Variances to Adjusted Budget %	Total Project Value
Total All	0	0	0	0	
:					

SECRETARIAT & AUXILIARY SERVICES POLICY OBJECTIVES TAKEN FROM IDP

SECRETARIAT & AUXILIARY SERVICES														
OP REFERENCE	PERFORMANCE REPORTING 2019/2020 FY - ANNUAL PROGRESS REPORT			OP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	BASELINE / STATUS QUO	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL 2019/2020 FY PROGRESS REPORT							ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)					ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
SA S 01	All minutes of Full Council and Council committee meetings compiled within seven (7) working days after the meetings by the 30th of June 2020	All minutes of Full Council and Council committee meetings compiled within seven (7) working days after the meetings by the 30th of June 2020	2 (70% - 99%)	SA S 01	NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION	Improving Corporate services risk and Compliance and Risk Reduction	All minutes of Council and Council committee meetings compiled within seven (7) working days after the meetings by the 30th of June 2021	All minutes of Council and Council committee meetings compiled within seven (7) working days after the meetings by the 30th of June 2021	Some minutes of Council and Council committee meetings compiled within seven (7) working days after the meetings by the 30th of June 2021	2 (70% - 99%)	Lack of supervisory staff to check management work of Committee Officers, shortage of Committee Officers as well as the number of special and continuation meeting.	Capacity of seconded Committee Officers and filling of positions of Committee Officers.	1-Oct-21	signed minutes and attendance register
	N/A	N/A	N/A					N/A	N/A	N/A	N/A	N/A	N/A	N/A
SA S 02	44 x weekly schedules of Portfolio Committee and other committee meetings prepared and published in Corporate Communication every Friday by the 30th of June 2020	34 x weekly schedules of Portfolio Committee and other committee meetings prepared and published in Corporate Communication every Friday by the 30th of June 2020	2 (70% - 99%)	SA S 02	NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION	Improving Corporate Services Compliance and Risk Reduction	44 x weekly schedules of Portfolio Committee and other committee meetings prepared and published in Corporate Communication every Friday by the 30th of June 2021	40 x weekly schedules of Portfolio Committee and other committee meetings prepared and published on Corporate Communication every Friday by the 30th of June 2021	40 x weekly schedules of Portfolio Committee and other committee meetings prepared and published on Corporate Communication every Friday by the 30th of June 2021	3 (100% - 129%)	N/A	N/A	N/A	Weekly schedule
	N/A	N/A	N/A					N/A	N/A	N/A	N/A	N/A	N/A	N/A

SECRETARIAT & AUXILIARY SERVICES

OP REFERENCE	PERFORMANCE REPORTING 2019/2020 FY - ANNUAL PROGRESS REPORT			OP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	BASELINE / STATUS QUO	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL 2019/2020 FY PROGRESS REPORT							ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)					ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
SA S 03	12 x monthly schedules of Portfolio Committee and other committee meetings prepared and published on Corporate Communication published on Corporate Communication in the last week of every month by the 30th of June 2020	10 x monthly schedules of Portfolio Committee and other committee meetings prepared and published on Corporate Communication published on Corporate Communication in the first week every month by the 30th of June 2020	2 (70% - 99%)	SA S 03	NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION	Improving Corporate Services Compliance and Risk Reduction	12 x monthly schedules of Portfolio Committee and other committee meetings prepared and published on Corporate Communication published on Corporate Communication in the last week of every month by the 30th of June 2021	12x monthly schedules of Portfolio Committee and other committee meetings prepared and published on Corporate Communication published on Corporate Communication in the last week of every month by the 30th of June 2021	10 x monthly schedules of Portfolio Committee and other committee meetings prepared and published on Corporate Communication published on Corporate Communication in the last week of every month by the 30th of June 2021	2 (70% - 99%)	February and December monthly schedules were not prepared as the Secretariat Manager was on leave and there was no one acting at the time.	Sourcing of persons to act as Manager: Secretariat from outside the Unit	Within at least 10 working days after becoming aware of the impending absence of the Manager: Secretariat .	Monthly schedules
	N/A	N/A	N/A					N/A	N/A	N/A	N/A	N/A	N/A	
SA S 04	All document requests printed within 2 days of receipt of the request by the 30th of June 2020	Not All document requests were printed within 2 days of receipt of the request by the 30th of June 2020	2 (70% - 99%)	SA S 04	NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION	Improving Corporate Services Compliance and Risk Reduction	All document requests printed within 2 days of receipt of the request by the 30th of June 2021	100% of all document requests printed within 2 days of receipt of the request by the 30th of June 2021	Some of document requests were printed within 2 days of receipt of the request by the 30th of June 2021	2 (70% - 99%)	Some documents were not printed on time due to workload and breakdown of machinery.	Signing SLA with service providers to fix the printing machines immediately when they are broken.	31-Oct-21	Incoming job register
	N/A	N/A	N/A					N/A	N/A	N/A	N/A	N/A		

COMMENTS ON THE PERFORMANCE OF SECRETARIAT AND AUXILIARY SERVICES OVERALL

The Unit was unable to achieve some of its targets due to the overload as explained above, breakdown of printing machines and non-appointment of acting Manager in the absence of the Manager: Secretariat.

To alleviate the supervisory challenges, four Principal Committee Officer and three Principal Language Practitioner positions were created and staff has been seconded to some of these posts until such time that they are permanently filled.

The virtual running of meetings through Microsoft Teams in response to COVID – 19 requirements was successfully implemented and efforts are being made to refine it to cater for all activities relating holding of meetings and concomitant arrangements right from document generation to document filling, archiving and retrieval.

The Unit is currently sitting with 6 vacant posts and are prioritized for filling in the 2021/2022 financial year

4.3. INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES

INTRODUCTION TO INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES

The ICT department plans to achieve these goals by:

- ICT to be a proactive business partner with the rest of Msunduzi in achieving Msunduzi' s business goals.
- Right information, in the right format, in the right place and at the right time.
- Enabling the effective operation of critical business operations through the provision of business applications and
- Robust Infrastructure and Technology

Although the ICT department continues to face funding challenges just like any other Business Unit at municipality, this has a direct consequence in dealing with Poor network infrastructure and Poor integration between applications,

ORGANIZATIONAL UNITS WITHIN INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES

BUSINESS OPTIMISATION

The main target for 2020-2021 was the implementation of e-forms. However, this is still work in progress as the challenges are lack of skills using the new Microsoft 365 technology. Although there is no cost to council the project is ongoing. The Webmaster and his team are doing continuous research, developing and making use of the free vendor support that form part the Microsoft 365 agreement.

The second target is the implementation of all Auditor General findings that relates to Business Systems. The remediation's are continuing and most of the challenges related to lack of SLA's, Legacy systems and untrained system custodians, however ICT Business Optimization Manager is facilitating and assisting the affected business units. Furthermore, in conjunction with the relevant business units a catalogue of all Business systems is being developed.

ICT INFRASTRUCTURE

ICT Infrastructure unit maintain the servers, networks, security and other infrastructure equipment. The unit is responsible for upholding standards relating to all aspects of the technology architecture. The unit delivered on the two top priorities during the course of this 20/21 financial year

Fiber connectivity: Two sites (Publicity House & Truro library) were upgraded and connected to high speed

PROJECT MANAGEMENT

This function ensures that all ICT projects are managed in a structured fashion using a chosen methodology. Priority ICT projects are driven by this unit. During this financial year, no projects were registered, instead the unit focused on outstanding work related to previous projects, e.g. Multi-Function deployment.

The Project Office is non-functional at the moment due to lack of capacity from the recently placed Project Manager and only one available Project Administrator. ICT Projects which are mainly infrastructure related are run by other business units within ICT.

ICT SECURITY

The ICT Governance and Security manager will be responsible for all ICT governance and security activities within the ICT function. This function will also ensure that audit findings will be addressed timeously.

Governance and security work is assigned to other staff from other units in order to get it moving, and that alone creates other human resource related issues. The ICT Security Officer which was the only position to be filled in this unit remains unfilled since the previous incumbent resigned in 2018. Network tender is due for evaluation by SCM, finalization of it will assist in the appointment of an external ICT Security resource.

SYSTEM ADMINISTRATION

The day-to-day administering of the IT systems that are mainly used by ICT staff in order to keep the ICT system landscape operating at a premium. Most of the operational work in ICT falls within this unit

SERVICE STATISTICS FOR INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES

Cluster	Host	VM Name	Number of Restarts	Number of Alarms	Downtime	Sum of Uptime (%)
Uptime: Uptime >= 90%						
MSUASC	10.1.105.216	MSUASCAPSOL	0	1	20 day(s) 06:25:00	94,24 %
MSUASC	10.1.105.217	MSUASCEPO1	0	0	5 day(s) 13:07:00	98,42 %
MSUASC	10.1.105.206	MSUASC SQ4	0	0	4 day(s) 14:11:00	98,69 %
MSUASC	10.1.105.205	MSUASC SAPEA1	0	0	3 day(s) 11:07:00	99,02 %
MSUASC	10.1.105.218	MSUASC VEPR1	0	0	2 day(s) 18:29:00	99,21 %
MSUASC	10.1.105.230	MSUASC AD01	0	0	00:42:00	99,44 %
MSUASC	10.1.105.218	MSUASC SAPERP	0	8	1 day(s) 07:39:00	99,63 %
MSUASC	10.1.105.205	MSUASC SAPSBX	1	6	1 day(s) 04:11:00	99,67 %
MSUASC	10.1.105.216	MSUASC VEBR	0	0	1 day(s) 01:05:00	99,70 %

Cluster	Host	VM Name	Number of Restarts	Number of Alarms	Downtime	Sum of Uptime (%)
MSUASC	10.1.105.218	MSUASCSAPEA3	0	0	22:50:00	99,73 %
MSUASC	10.1.105.206	MSUASCSAPPOS	0	1	21:27:00	99,75 %
MSUASC	10.1.105.218	MSUASCSAPECQ	0	2	20:07:00	99,76 %
MSUASC	10.1.105.216	MSUASCSAPEA2	0	0	17:31:00	99,79 %
MSUASC	10.1.105.205	MSUASCSCADAW1	0	1	17:08:00	99,80 %
MSUASC	10.1.105.216	MSUASCSAPEA4	0	1	16:40:00	99,80 %
MSUASC	10.1.105.231	MSUASCSAPPIP	0	1	08:34:00	99,81 %
MSUASC	10.1.105.233	MSUASCFM	0	0	05:45:00	99,82 %
MSUASC	10.1.105.217	MSUCIVICMQ1	0	1	15:30:00	99,82 %
MSUASC	10.1.105.231	MSUASCSAPPIQ	0	1	08:01:00	99,82 %
MSUASC	10.1.105.216	MSUCIVICHEAT	0	0	14:25:00	99,83 %
MSUASC	10.1.105.218	MSUASCDLOMS	0	0	14:25:00	99,83 %
MSUASC	10.1.105.206	MSUASCSAPPOP	0	0	12:45:00	99,85 %
MSUASC	10.1.105.207	MSUASCSAPERQ	1	4	12:17:00	99,85 %
MSUASC	10.1.105.216	MSUASCSAPECT	0	1	12:15:00	99,85 %

Cluster	Host	VM Name	Number of Restarts	Number of Alarms	Downtime	Sum of Uptime (%)
MSUASC	10.1.105.218	MSUASCTS1	0	1	12:08:00	99,86%
MSUASC	10.1.105.217	MSUASCSAPERD	0	1	12:02:00	99,86%
MSUASC	10.1.105.218	MSUASCAD02	0	1	12:00:00	99,86%
MSUASC	10.1.105.218	MSUASCHR01	0	1	11:56:00	99,86%
MSUASC	10.1.105.218	MSUASCELEARNING	0	2	11:54:00	99,86%
MSUASC	10.1.105.217	MSUASCMSCOA	0	1	11:48:00	99,86%
MSUASC	10.1.105.216	MSUASC SW01	0	0	11:34:00	99,86%
MSUASC	10.1.105.206	MSUASC SAPROUTER	0	0	11:31:00	99,86%
MSUASC	10.1.105.216	MSUASCECMDB	0	0	11:27:00	99,86%
MSUASC	10.1.105.206	MSUASC SAPBWP	0	2	11:25:00	99,86%
MSUASC	10.1.105.216	MSUCIVICSQ1	0	0	11:25:00	99,86%
MSUASC	10.1.105.206	MSUASC SAPEQC	0	0	11:23:00	99,87%
MSUASC	10.1.105.217	MSUCIVICTMS	0	1	11:23:00	99,87%
MSUASC	10.1.105.218	MSUASC MPS2	0	1	11:22:00	99,87%
MSUASC	10.1.105.206	MSUASC FP2	0	0	11:21:00	99,87%

Cluster	Host	VM Name	Number of Restarts	Number of Alarms	Downtime	Sum of Uptime (%)
MSUASC	10.1.105.216	MSUASC SAPHCM	0	3	11:17:00	99,87 %
MSUASC	10.1.105.216	MSUASC SAPECD	0	1	11:16:00	99,87 %
MSUASC	10.1.105.207	MSUASC FIN01	0	1	11:14:00	99,87 %
MSUASC	10.1.105.205	MSUASC SCADA W2	0	0	11:12:00	99,87 %
MSUASC	10.1.105.206	MSUASC SQ9	0	0	11:09:00	99,87 %
MSUASC	10.1.105.217	MSUASC EXCH01	0	1	11:09:00	99,87 %
MSUASC	10.1.105.217	MSUASC ICTTECH	0	1	11:09:00	99,87 %
MSUASC	10.1.105.207	MSUASC SQ3	0	0	11:06:00	99,87 %
MSUASC	10.1.105.207	MSUASC SAPMIG	0	1	11:05:00	99,87 %
MSUASC	10.1.105.217	MSUASC SAPBWD	0	1	11:01:00	99,87 %
MSUASC	10.1.105.205	MSUASC DLOAD MIN	0	0	10:55:00	99,87 %
MSUASC	10.1.105.216	MSUASC ADMAN	0	2	10:51:00	99,87 %
MSUASC	10.1.105.207	MSUASC SAPBWQ	0	1	10:50:00	99,87 %
MSUASC	10.1.105.207	MSUASC ECMA	0	1	10:47:00	99,87 %
MSUASC	10.1.105.206	MSUASC SAPEPQ	0	0	10:46:00	99,87 %

Cluster	Host	VM Name	Number of Restarts	Number of Alarms	Downtime	Sum of Uptime (%)
MSUASC	10.1.105.217	MSUASCAPPD	0	1	10:46:00	99,87 %
MSUASC	10.1.105.206	MSUASCAPSDS	0	0	10:44:00	99,87 %

INTRODUCTION TO MUNICIPAL WEBSITE CONTENT AND ACCESS

A municipal website should be an integral part of a municipality's communication infrastructure and strategy. If managed effectively, it allows easy access to relevant information, serves as a tool for community participation, improves stakeholder involvement and facilitates stakeholder monitoring and evaluation of municipal performance. Msunduzi's website only went live in late 2007 and apart from the legislative compliances, the public for various needs, such as meter reading submissions, marketing, accessing of tenders and necessary public information relating to the citizens locally and worldwide, uses the website.

MUNICIPAL WEBSITE: CONTENT AND CURRENCY OF MATERIAL FOR THE 2020/2021 FY

MUNICIPAL WEBSITE: CONTENT AND CURRENCY OF MATERIAL FOR THE 2020/21 FY			
DOCUMENTS PUBLISHED ON THE MUNICIPALITY'S / ENTITY'S WEBSITE	YES/NO	PUBLISHING DATE	DESCRIPTION
Current annual and adjustments budgets and all budget-related documents	Yes	2020-04-10	
All current budget-related policies	YES	2020-04-10	
The previous annual report (2018/19)	YES	2020-06-26	
The annual report (2019/20) published/to be published	YES	2021-06-25	
All performance agreements required in terms of section 57(1)(b) of the Municipal Systems Act (2020/2021) and resulting scorecards	YES	2020-07-12	
All service delivery agreements (2019/20)	YES	2018-07-10	
All long-term borrowing contracts (2019/20)		N/A	N/A
All supply chain management contracts above a prescribed value (give value) for (2019/20)	YES	N/A	N/A
An information statement containing a list of assets over a prescribed value that have been disposed of in terms of section 14 (2) or (4) during (2019/20)	NO	N/A	N/A
Contracts agreed in (2019/20) to which subsection (1) of section 33 apply, subject to subsection (3) of that section	YES		N/A
Public-private partnership agreements referred to in section 120 made in (2019/20)	NO		N/A

COMMENT ON MUNICIPAL WEBSITE CONTENT AND ACCESS OVERALL

Information is uploaded almost daily. This is done by formatting documents where necessary, logging onto the website, customizing areas if necessary and uploading data. Publishing dates are indicated below the information or file download. The Public can access information on www.msunduzi.gov.za 24hrs a day by viewing some information on respective pages whereas other information is available as downloads viz. PDFs (Readable with Acrobat Reader). Information not up to date is usually due to respective Units not providing them timeously or when prompted about this report or not at all. Most compliance documentation is only made available by respective Units close to or on the due date and usually require further updating a few days later as original info is either incorrect or incomplete. Most information provided is uploaded and available within a few hours.

EMPLOYEE INFORMATION – INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES

EMPLOYEE: ICT SERVICES					
Job Level	2019/2020	2020/2021			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents No.	Vacancies (as a % of total posts) %
T01–T03	0	0	0	0	0
T04-T08	1	1	1	0	0
T09–T13	18	26	18	8	31
T14-T18	3	5	3	2	40
T19-T22	1	1	1	0	0
T23-T25	0	0	0	0	0
Total	23	33	23	10	30

FINANCIAL PERFORMANCE – INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES

FINANCIAL PERFORMANCE 2020/2021: ICT SERVICES (526/071/072/073/074/)						R'000
Details	2019/2020	2020/2021				
	Actual	Original Budget	Adjustment Budget	Actual	Variances to Adjusted Budget %	
Total Operational Revenue (excl. tariffs)	0	-2	-2	30	-1600%	
Expenditure:						
Employees	13 613	14 303	13 119	12 042	-8.21%	
Repairs and Maintenance	2 230	3 590	5 590	4 648	-16.85%	
Other	10 654	10 617	16 203	11 109	-31.44%	
Total Operational Expenditure	26 497	28 510	34 912	27 799	-20.37%	
Net operational (Service) Expenditure	26 497	28 508	34 910	27 829	-20%	
Variances are calculated as follows: Actual expenditure – Adjusted budget divided by the Adjusted budget x 100.						

CAPITAL EXPENDITURE – INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES

CAPITAL EXPENDITURE: ICT SERVICES					
					R'000
Details	2020/2021				
	Budget	Adjustment Budget	Actual Expenditure	Variances to Adjusted Budget %	Total Project Value
Total All	14 000	2 483	1 104	-55%	/
Project A : FURNITURE	0	4	0	-100%	
Project B: LAN/WAN	2 500	1 590	951	-40%	
Project C :COMPUTER EQUIPMENT	0	530	133	-75%	
Project D : TRANSPORT VEHICLES	0	180	0	-100%	
Project E : PLANT AND EQUIPMENT	0	179	21	-88%	
Project F ; FIN MAGT SYSTEM : SAP	11 500	0	0	-	
<p>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate)</p> <p>Variances are calculated as follows: Actual expenditure – Adjusted budget divided by the Adjusted budget x 100.</p>					

INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES POLICY OBJECTIVES TAKEN FROM IDP

SUB UNIT: INFORMATION COMMUNICATION TECHNOLOGY														
OP REFERENCE	PERFORMANCE REPORTING 2019/2020 FY - ANNUAL PROGRESS REPORT			OP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	BASELINE / STATUS QUO	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL 2019/2020 FY PROGRESS REPORT							ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5 , Not Applicable)					ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5 , Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
ICTO 1	3 X Sites (Cemetery, Forestry, Gallowey) replaced with Fiber Data Line by the 28th of February 2020	1 X Sites (Gallowey) replaced with Fiber Data Line by the 28th of February 2020 2 x sites (Cemetery & Forestry) connected via LTE due to budget constraints.	1 (69% & below)	ICTO 1	NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT	FIBRE CONNECTIVITY	VARIOUS SITES CONNECTED WITH FIBRE	3 X SITES (TRURO, TRAFFIC & PUBLICITY HOUSE) CONNECTED WITH FIBRE DATA LINES BY THE 30TH OF APRIL 2021	2 X SITES CONNECTED WITH FIBRE DATA LINES. Truro and Publicity House have been connected although Truro was connected just after 30th April 2021	2 (70% - 99%)	Traffic and Truro could not be connected on time due to BSC constantly 'refusing' to approve ICT specification. After numerous changes (4 months) and being sent from pillar to post, resulted us on not meeting this KPA. By the time these were finally approved, it was already late and just weeks to the end of the financial year.	Connect Traffic on the next FY	30-Sep-21	Sign-off for Truro and Publicity House. Email evidence and correspondence from BSC.
	N/A	N/A	N/A					2 000 000	N/A	N/A	N/A	N/A	N/A	N/A
ICTO 2	NEW UPS CONFIGURED AND CONNECTED at Mkhondeni site by the 31st of January 2020	NEW UPS CONFIGURED AND CONNECTED at Mkhondeni site NOT completed by the 31st of January 2020	2 (70% - 99%)	ICTO 2	NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT	ICT GOVERNANCE	NON-FUNCTIONING ICT STREERING COMMITTEE	4 X ICT STEERING COMMITTEE MEETINGS FACILITATED BY THE 30th OF JUNE 2021	4 X ICT STEERING COMMITTEE MEETINGS FACILITATED BY THE 30th OF JUNE 2021	3 (100% - 129%)	N/A	N/A	N/A	ICT Steercom Minutes
	N/A	N/A	N/A					N/A	N/A	N/A	N/A	N/A	N/A	

SUB UNIT: INFORMATION COMMUNICATION TECHNOLOGY

OP REFERENCE	PERFORMANCE REPORTING 2019/2020 FY - ANNUAL PROGRESS REPORT			OP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	BASELINE / STATUS QUO	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL 2019/2020 FY PROGRESS REPORT							ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5 , Not Applicable)					ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5 , Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
ICTO 3	100% DATA ARCHIVING STORAGE FULLY IMPLEMENTED for Msunduzi Municipality by the 30th of November 2019	100% DATA ARCHIVING STORAGE FULLY IMPLEMENTED for Msunduzi Municipality NOT completed by the 30th of November 2019	2 (70% - 99%)	ICTO 3	NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT	ICT GOVERNANCE	APPROVED ICT POLICIES as at 2015 FY	100% REVIEWED ICT POLICIES PREPARED AND SUBMITTED TO SMC BY THE 30TH OF NOVEMBER 2020 FOR ONWARDS TRANSMISSION TO FULL COUNCIL FOR APPROVAL 1. ICT asset management policy, 2. ICT backup policy, 3. ICT application and systems acquisition policy, 4. ICT incident and problem management policy, 5. ICT physical and environmental security policy, 6. ICT user access management policy, 7. ICT security policy	100% REVIEWED ICT POLICIES PREPARED AND SUBMITTED TO SMC BY THE 30TH OF NOVEMBER 2020 FOR ONWARDS TRANSMISSION TO FULL COUNCIL FOR APPROVAL IN OCTOBER 2020. 1. ICT asset management policy, 2. ICT backup policy, 3. ICT application and systems acquisition policy, 4. ICT incident and problem management policy, 5. ICT physical and environmental security policy, 6. ICT user access management policy, 7. ICT security policy	4 (130% - 149%)	N/A	N/A	N/A	Full Council resolution

SUB UNIT: INFORMATION COMMUNICATION TECHNOLOGY

OP REFERENCE	PERFORMANCE REPORTING 2019/2020 FY - ANNUAL PROGRESS REPORT			OP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	BASELINE / STATUS QUO	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL 2019/2020 FY PROGRESS REPORT							ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)					ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
	N/A	N/A	N/A					N/A	N/A	N/A	N/A	N/A	N/A	N/A
ICTO 4	20 x New Computers Purchased for the 2019/2020 FY by the 31st of October 2019	20 x New Computers Purchased for the 2019/2020 FY by the 31st of October 2019	3 (100% - 129%)	ICTO 4	NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT	ICT GOVERNANCE	DRAFT DISASTER RECOVERY PLAN and testing as at 2018/2019 FY	DISASTER RECOVERY PLAN DEVELOPED AND SUBMITTED TO SMC BY THE 31ST OF MAY 2021 FOR ONWARDS TRANSMISSION TO FULL COUNCIL FOR APPROVAL	The Disaster Recovery Plan was developed, submitted to SMC and approved by Full Council	3 (100% - 129%)	N/A	N/A	N/A	Full Council resolution
	N/A	N/A	N/A					N/A	N/A	N/A	N/A	N/A	N/A	

COMMENT ON THE PERFORMANCE OF ICT SERVICES OVERALL:

The important priorities during the 2020/21 financial year were the improvement of ICT operations and governance related matters. Due to lack of capital funding, ICT spent the funding made available connecting two offices via fibre lines. Governance projects that have been completed were the reviewing and updating of all ICT related policies and procedures, the finalization and approval of the ICT Strategy and Governance Framework.

4.4. HUMAN RESOURCE SERVICES

INTRODUCTION TO HUMAN RESOURCE SERVICES

Msunduzi Municipality appointed three contract work study staff members with the purpose of reviewing the structure. In terms of the Structure Review Action Plan, a draft Structure was to be finalised by no later than December 2019 but is delayed due to top structure not having been completed by the work study consultants assigned to this task. The draft proposed Structure will be costed so that the Municipality knows the financial implications of filling it and can therefore budget accordingly. A Workshop was held on 6/11/2019 with the proposed top structure being workshopped to Management and LLF (Local Labour Forum) members. The final macro structure is still in progress.

ORGANIZATIONAL UNITS WITHIN THE HUMAN RESOURCES UNIT

1. PERSONNEL:

EMPLOYEE INFORMATION

A personnel department organizes, maintains and secures each employees records and documentation for the organization. This includes qualifications, benefits, and other documents. Documents and records are typically stored in files, as well as a secured human resources database.

SERVICE STATISTICS FOR HUMAN RESOURCE SERVICES

- Workplace Skills Plan (pointing to priority skills) approved.
- 2 General Manager posts were filled
- Signed off Change Management Strategy and Plan.
- Development of COVID-19 Guidelines, communicated to all Staff.

EMPLOYEE INFORMATION – HUMAN RESOURCES UNIT

EMPLOYEE: HUMAN RESOURCES SERVICES					
Job Level	2019/2020		2020/2021		
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents No.	Vacancies (as a % of total posts) %
T01–T03	1	6	1	5	83.33
T04-T08	34	58	36	22	37.93
T09–T13	36	58	33	25	43.10
T14-T18	7	11	5	6	54.55
T19-T22	1	1	1	0	0.00
T23-T25		0	0	0	0.00
Total	79	134	76	58	43.28

FINANCIAL PERFORMANCE – HUMAN RESOURCES UNIT

FINANCIAL PERFORMANCE 2019/2020: HUMAN RESOURCES SERVICES (501/038/103/346/525/530/001/303070)					
					R'000
Details	2019/2020	2020/2021			
	Actual	Original Budget	Adjustment Budget	Actual	Variances to Adjusted Budget %
Total Operational Revenue (excl. tariffs)	-3485	-2 187	- 2 187	-1 967	
Expenditure:					
Employees	44 659	53 286	51 972	48 042	-7.5%
Repairs and Maintenance	1	48	39	12	-69%
Other	27 803	16 154	26 348	22 126	-16%
Total Operational Expenditure	72 463	69 488	78 359	70 180	-10.44%
Net operational (Service) Expenditure	68 978	67 301	76 172	68 213	-1.45%
Variances are calculated as follows: Actual expenditure – Adjusted budget divided by the Adjusted budget x 100.					

CAPITAL EXPENDITURE – HUMAN RESOURCES UNIT

CAPITAL EXPENDITURE: HUMAN RESOURCES SERVICES					
					R'000
Details	2020/2021				
	Budget	Adjustment Budget	Actual Expenditure	Variances to Adjusted Budget %	Total Project Value
Total All	0	17	0	-100%	
Purchase of Dictaphones	0	17	0	-100%	

HUMAN RESOURCES UNIT POLICY OBJECTIVES TAKEN FROM IDP

SUB UNIT: HUMAN RESOURCES														
OP REFERENCE	PERFORMANCE REPORTING 2019/2020 FY - ANNUAL PROGRESS REPORT			OP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	BASELINE / STATUS QUO	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL 2019/2020 FY PROGRESS REPORT							ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)					ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
HR 01	1 x Report on the Workplace Skills Plan 20/21, prepared and submitted to LGSETA by the 31st of May 2020	1 x Report on the Workplace Skills Plan 20/21, prepared and submitted to LGSETA by the 31st of May 2020	3 (100% - 129%)	HR 01	NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT	Work place Skills plan	Approval of 1 Workplace Skills Plan 19/20 by 30 April 2019	1 x Report on the Workplace Skills Plan 2021/2022 FY prepared and submitted to LGSETA by the 30th of April 2021	1 x Report on the Workplace Skills Plan 2021/2022 FY prepared and submitted to LGSETA by the 30th of April 2021	3 (100% - 129%)	N/A	N/A	N/A	LGSETA confirmation Letter of submission.
	N/A	N/A	N/A					N/A	N/A	N/A	N/A	N/A		
HR 02	Facilitate the training of 825 employees by Accredited training providers according to PDPs received from Business Units and in accordance to the approved 19/20 Workplace Skills Plan by the 30th of June 2020	338 Employees were trained by Accredited training providers according to PDPs received from Business Units and in accordance to the approved 19/20 Workplace Skills Plan by the 30th of June 2020	1 (69% & below)	HR 02	NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT	Work place Skills plan	338 employees trained in 19/20	Training of 410 employees by Accredited training providers according to PDPs received from Business Units and in accordance with the approved 20/21 Workplace Skills Plan facilitated by the Human Resources Unit by the 30th of June 2021	508 employees trained by Accredited training providers according to PDPs received from Business Units and in accordance with the approved 20/21 Workplace Skills Plan facilitated by the Human Resources Unit by the 30th of June 2021	3 (100% - 129%)	N/A	N/A	N/A	Course Attendance Registers
	15 047093	N/A	N/A					N/A	N/A	N/A	N/A	N/A		

SUB UNIT: HUMAN RESOURCES

OP REFERENCE	PERFORMANCE REPORTING 2019/2020 FY - ANNUAL PROGRESS REPORT			OP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	BASELINE / STATUS QUO	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL 2019/2020 FY PROGRESS REPORT							ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)					ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
HR 03	35 x of all level employees awarded Bursaries in the 19/20 FY by the 30th of June 2020	0 x of all level employees awarded Bursaries in the 19/20 FY by the 30th of June 2020	1 (69% & below)	HR 05	NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT	Internship Programme	106 x Interns appointed in 2019/2020 FY	24 x Interns appointed Organizationally per Business Unit by the 31st of March 2021	27 x Interns appointed Organizationally per Business Unit by the 06 April 2021	3 (100% - 129%)	N/A	N/A	N/A	Report approved by City Manager
	15 047093	N/A	N/A					N/A	N/A	N/A	N/A	N/A	N/A	N/A
HR 04	12 x External bursaries awarded in the 19/20 FY by the 30th of June 2020	0 x External bursaries awarded in the 19/20 FY by the 30th of June 2020	1 (69% & below)	HR 06	NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT	Learnership Programme	2 Learnerships implemented in 2018/2019	2 x Learnerships Implemented as per LGSETA Sector Plan by the 30th of June 2021	1 learnership started in the month of April, whilst the other learnership could not be implemented due to the non-payment of the 50% tranche payment.	1 (69% & below)	Training Provider was appointed and the reallocation of funds was done by the Unit, but the learnership could not be implemented as the payment was not released as there was a shortage of funds.	Out of the control of the Unit	N/A	Sundry Payment Voucher

COMMENT ON THE PERFORMANCE OF HUMAN RESOURCE SERVICES OVERALL

In 2020 because of the COVID-19 pandemic and National Lockdown. It must be noted that a majority of HR programmes are interactive, hence could not be held as employees were not at work with the exception of essential services and critical support staff who were working under level 5 and 4.

Skills Development was not able to offer external bursaries to our disadvantaged youth and Study Assistance to internal staff because of the budget constraint and cash flow challenges.

It must be added that during the National lockdown, Corporate Services was responsible for COVID-19 development of COVID-19 Guidelines with roadshows being done to create awareness to employees. The Safety Unit played a pivotal role in ensuring that the regulations were being applied consistently. Challenges of non-compliance were raised. An ad hoc team which comprised of the employer and management was also formed to monitor compliance safety team and tried to be addressed.

The Municipality will need to have strategies to deal with COVID-19 in the workplace noting that organisations will have to live and manage the pandemic by observing all regulations.

4.5. ORGANISATIONAL DEVELOPMENT

ORGANISATIONAL DEVELOPMENT OVERVIEW

ORGANIZATION DEVELOPMENT PERFORMANCE

The HR Leadership Team listed the items below as HR needs commonly stated by internal clients:

- Competent staff
- Accurate statistics from HR: staff attendance data, overtime data, vacancy data
- Motivation of staff
- Skill gaps bridged where they exist in order to improve employee performance
- Correct remuneration - correct grading and salary bands
- Harmonization of the work environment
- Information to be available – more communication expected
- Recognition of high performers
- Policy compliance and consistent policy application
- Incentives to perform
- Benchmarking of information

Based on the feedback drawn from the HR Survey, a gap is obvious between what the employees expect and what the HR team presently delivers, and this mismatch appears to be the primary cause for the lack of confidence in HR.

The items above indicate a need for HR to address not only administrative needs, but also facilitate solutions spearheading thought leadership for attainment of meaningful organizational solutions.

EMPLOYEE TOTALS, TURNOVERS & VACANCIES

EMPLOYEE: HUMAN RESOURCES SERVICES					
Job Level	2019/2020	2020/2021			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents No.	Vacancies (as a % of total posts) %
T01-T03	1	6	1	5	83
T04-T08	36	63	38	25	40
T09-T13	36	58	33	25	43
T14-T18	7	11	6	5	45
T19-T22	1	1	1	0	0
T23-T25	0	0	0	0	0
Total	81	139	79	60	43

VACANCY RATE 2020/2021			
Designations	*Total approved posts No.	Vacancies (Total time that vacancies exist using fulltime equivalents) No.	*Vacancies (as a proportion of total posts in each category) %
Municipal Manager	1	0	0
CFO	1	0	0
Other S57 Managers (Excl. Finance Posts)	3	3	0
Other S57 Managers (Finance Posts)	0	0	0
Traffic Officers	85	47	42%
Fire Fighters	139	66	47%
Senior Managers: Levels DU (excl. Finance Posts)	58	7	23%
Senior Managers: Levels DU (Finance Posts)	9	1	11%
Highly skilled supervision: Levels D1 – D3 (excl. Finance)	95	12	11%
Highly skilled supervision: Levels D1 – D3 (Finance Posts)	11	3	27%
TOTAL:	654	122	19%

TURN-OVER RATE			
Details	Total appointments as of the beginning of financial year No.	Terminations during the financial year No.	Turn-over rate*
2018/2019	166	144	86%
2019/2020	190	233	122%
2020/2021	22	177	5.53%

COMMENTS ON VACANCIES & TURNOVERS

The General Manager's: Community and Infrastructure Services posts were filled in the 2020 2021 Financial Year. All Section 57 posts are now filled

The 2013 structure, implemented in June 2015 has a higher post compliment which further translated into a higher vacancy rate and while the Human Resources Unit has embarked on a concerted recruitment drive the Organization is still challenged by a relative high staff turn-over.

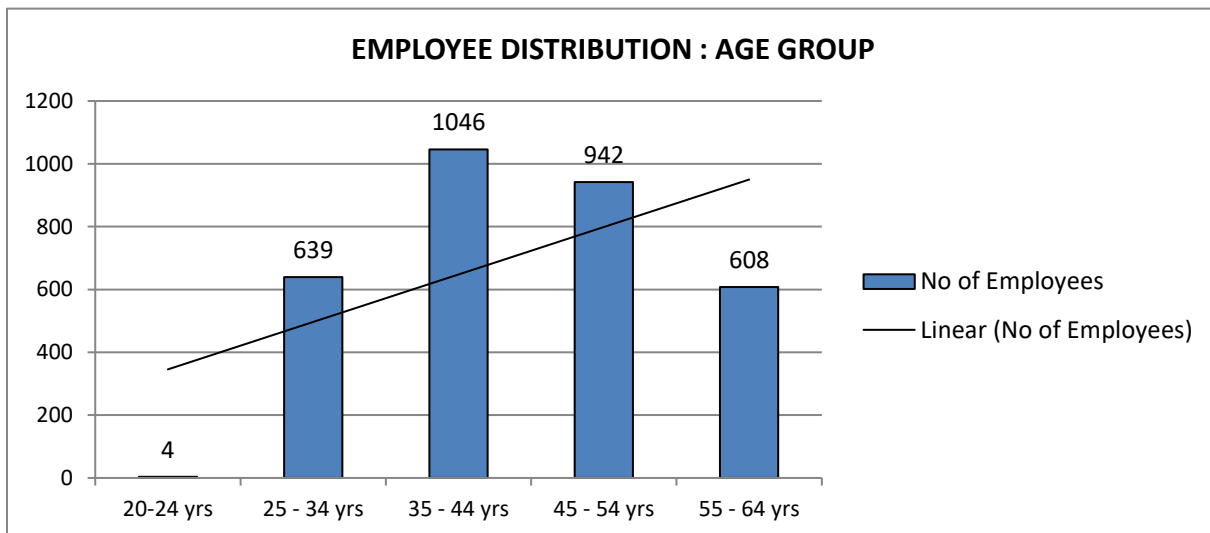
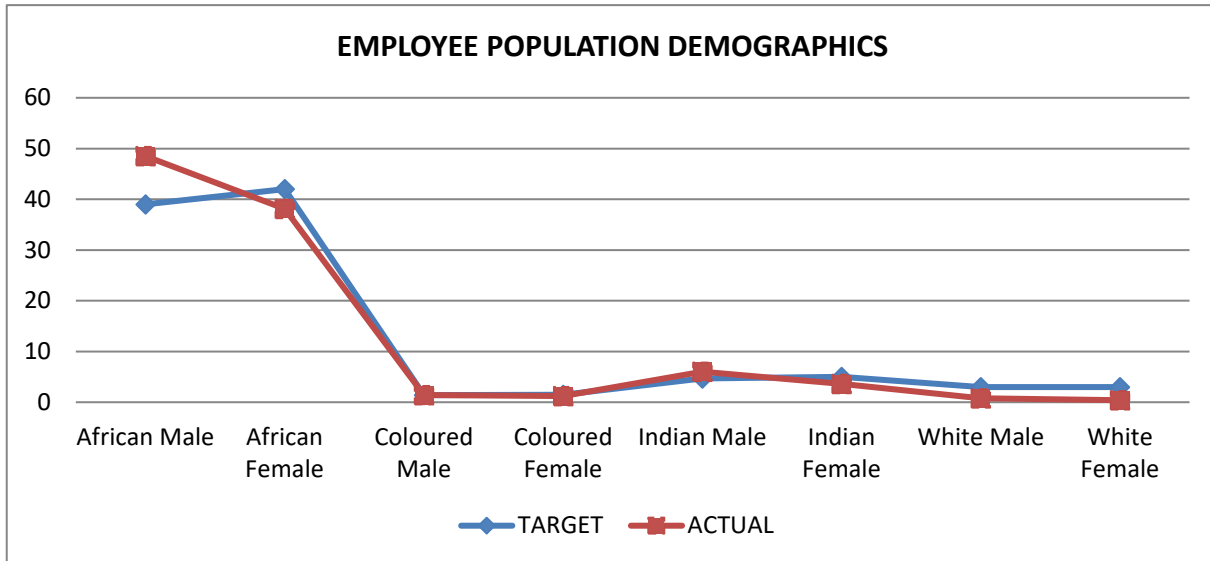
MANAGING THE MUNICIPAL WORKFORCE

INTRODUCTION TO MANAGING THE MUNICIPAL WORKFORCE

There is an urgent need for Msunduzi Management and HR senior management to give attention to attraction of younger recruits in order to bolster the talent pipeline which is presently very weak. Should nothing be done in this regard, the organization will face the risk of business continuity and loss of institutional knowledge as older employees retire. Specific recruitment targets and conscious interventions aimed at turning the age distribution curve around are considered as essential and urgent.

The Municipality pursues the equitable representation of designated groups in all occupational categories and levels in the workforce and actively supports an organizational culture and climate based on diversity, equality, mutual respect and dignity for all.

Currently in the organization, African males are over represented at lower Occupational levels (A Grade) while other demographic groups are minimally or not represented at all. People with disabilities are critically under-represented. Of a workforce of 3166 permanent employees, the municipality has facilitated the formal declaration of only two employees with disabilities.



COMMENT ON WORKFORCE POLICY DEVELOPMENT:

The following Policies were reviewed in 2020 2021 Financial year, the Policies are to be workshopped with Labour toward final approval.

INJURIES, SICKNESS AND SUSPENSIONS

NUMBER AND COST OF INJURIES ON DUTY					
Type of Injury	Injury Leave taken	Employees using injury leave	Employees using sick leave	*Average sick leave per employee	Total Estimated Cost
	<i>Days</i>	<i>No.</i>	<i>No.</i>	<i>Days</i>	<i>R'000</i>
Required basic medical attention only	0		0	0	0
Temporary total disablement	279	47	0	1.073	R1492561.46
Permanent Disablement	0	0	0	0	0
Fatal	0	0	0	00	
TOTAL					

NUMBER OF DAYS AND COST OF SICK LEAVE (EXCL. INJURIES ON DUTY)					
Occupational Category	Days Lost	Employees Claiming	No. of employees per category	Average sick leave per employee / Category	Cost*
T01-T03	7458	812	1226	6	3048015
T04-T08	4044	535	1089	4	2433899
T09-T13	3578	506	753	5	4428720
T14-T18	652	95	145	4	1639466
T19-T22	125	15	20	6	700542.3
T23	3	2	6	1	63678.89
	15862	1966	3459	5	12314321

COMMENT ON INJURY AND SICK LEAVE

All employees that are injured on duty are assessed by the Medical Practitioners and Occupational Health Practitioners. Sick leave is given to the injured employees by the Medical Practitioner and the leave is monitored based on the nature off injury by Occupational Health Practitioners. The Municipality strives to ensure that the injured employees are given the necessary medical care so that the injured can return to work timeously.

NUMBER AND PERIOD OF SUSPENSIONS 2020/2021 FY

NUMBER AND PERIOD OF SUSPENSIONS			
Position	Nature of Alleged Misconduct	Months	Details of Disciplinary Action taken or status of case and reasons why it is not finalized
Site Supervisor (Recycling & Landfill)	Instrumental in fires set on the landfill	6	Investigation in progress
Senior Grounds man	Insubordination and Physical Assault	11	Investigation in progress
General Assistant	Arson	1	Investigation in progress
General Assistant	Sale of Municipal Land / illegal electricity connection	1	Investigation in progress

COMMENT ON SUSPENSIONS AND CASES

Consequence Management continues to be a problem in the Municipality but cases are being processed through the appointment of presiding officers to sit in cases that have not been attended. The HR department also facilitated trainings for Management regarding the handling of disciplinary matters through SALGA and Internal Stakeholders.

PERFORMANCE REWARDS

PERFORMANCE REWARD BY GENDER					
Designation	Gender	Total number of employees in group	Number of beneficiaries	Expenditure on rewards 20011/12 R'000s	Proportion of beneficiaries within group %
Lower Skilled (Levels 1-2)	Female		0	-	0
	Male		0	-	0
Skilled (Levels 3-5)	Female		0	-	0
	Male		0	-	0
Highly skilled production (Levels 6-8)	Female		0	-	0
	Male		0	-	0
Highly skilled supervision (Levels 9-12)	Female		0	-	0
	Male		0	-	0
Senior Management (Levels 13-15)	Female	7	0	-	0
	Male	13	0	-	0
MM and S57	Female	2	0	-	0
	Male	3	0	-	0
Total:		25	0	0	

PLEASE NOTE THE FOLLOWING IN RESPECT OF THE ABOVE TABLE:

The Municipality currently has performance management agreements for level 1 to 4. Performance Management has not been cascaded to the rest of the employees. In the light of this, no performance rewards have been paid.

COMMENT ON PERFORMANCE REWARDS

No Performance rewards have been paid by the Municipality for the 2020/2021 financial year.

THE MUNICIPAL WORKFORCE

INTRODUCTION TO WORKFORCE CAPACITY DEVELOPMENT

During the 2020/2021 Financial Year only 494 employees were trained in all the occupational categories, the target was to train 410 employees in total. The Skills Development Unit over achieved their target. LGSETA grants were used to implement skills development interventions and the use of funded programmes by our various stakeholders due to the cost containment strategy of the Msunduzi Municipality. During the 2020/2021 Financial Year the Skills Development Unit ensured that it took full advantage of all funded programmes that were offered by SALGA, COGTA, LGSETA and other funding partners to capacitate Councillors, Employees and unemployed Youth and Community Members.

SKILLS DEVELOPMENT & TRAINING

SKILLS MATRIX											
Management Level	Gender	Employees in post as at 30 June 2021	Number of skilled employees required and actual as at 30 June 2021								
			Learnerships			Skills programmes and other short courses			Other forms of training		
			No.	Actual 30 June 2020 (2019/2020 FY)	Actual 30 June 2021 (2020/2021 FY)	Target 2022 (2021/2022 FY)	Actual 30 June 2020 (2019/2020 FY)	Actual 30 June 2021 (2020/2021 FY)	Target 2022 (2021/2022 FY)	Actual 30 June 2020 (2019/2020 FY)	Actual 30 June 2021 (2020/2021 FY)
MM and S57	Female	3	0	0	0	0	0	0	0	0	0
	Male	3	0	0	0	0	0	0	0	0	0
Councillors, Senior Officials & managers	Female	251	0	0	10	45	8	19	0	0	0
	Male	435	0	0	10	69	24	28	0	0	0
Technicians and associate professionals	Female	114	0	0	0	9	10	35	0	0	4
	Male	158	0	0	0	4	8	34	0	0	4
Professionals	Female	152	15	0	10	3	8	7	0	3	2
	Male	154	14	0	10	1	6	10	0	0	2

SKILLS MATRIX											
Management Level	Gender	Employees in post as at 30 June 2021	Number of skilled employees required and actual as at 30 June 2021								
			Learnerships			Skills programmes and other short courses			Other forms of training		
			No.	Actual 30 June 2020 (2019/2020 FY)	Actual 30 June 2021 (2020/2021 FY)	Target 2022 (2021/2022 FY)	Actual 30 June 2020 (2019/2020 FY)	Actual 30 June 2021 (2020/2021 FY)	Target 2022 (2021/2022 FY)	Actual 30 June 2020 (2019/2020 FY)	Actual 30 June 2021 (2020/2021 FY)
Sub-totals	Female	520	15	0	20	57	26	67	0	3	6
	Male	750	14	0	20	74	38	78	0	0	6
Totals		1270	29	0	40	131	64	145	0	3	12

FINANCIAL COMPETENCY DEVELOPMENT: PROGRESS REPORT*						
Description	A Total number of officials employed by municipality (Regulation 14(4)(a) and (c))	B Total number of officials employed by municipal entities (Regulation 14(4)(a) and (c))	Consolidated: Total A and B	Consolidated; Competency assessments completed for A and B (Regulation 14(4)(b) and (d))	Consolidated: total number of officials whose performance agreements comply with regulation 16 (Regulation 14(4)(f))	Consolidated: Total Number of officials that meet the prescribed competency levels (Regulation 14(4)(e))
Financial Officials	378	2	380	41	0	41
Accounting Officer	1	1	2	2	1	2
Chief Financial Officer	1	0	1	1	1	1
Senior Managers	27	0	27	4	27	4
Any other financial officials	0	0	0	0	0	0
Supply Chain Management Officials	48	0	48	1	0	1
Heads of supply chain management units	3	0	3	2	3	2
Supply chain management senior managers	1	0	1	1	1	1
TOTAL	459	3	462	52	33	52
This is a statutory report under the national treasury: LG MFMA Regulations						

SKILLS DEVELOPMENT EXPENDITURE										
'000										
Management Level	Gender	Employees as at the beginning of the year	Number of skilled employees required and actual as at 30 June 2021							
			Learnerships		Skills programmes and other short courses		Other forms of training		Total	
			No.	Original Budget	Actual	Original Budget	Actual	Original Budget	Actual	Original Budget
MM and S57	Female	3	0	0	0	0	0	0	0	0
	Male	3	0	0	0	0	0	0	0	0
legislators, Senior Officials &	Female	251	0	0	0	0	0	0	0	0
	Male	435	0	0	0	0	0	0	0	0
Professionals	Female	152	0	0	R36656	R36656	R87000	R87000	R123656	R123656
	Male	154	0	0	0	0	0	0	0	0
Technicians and associate professionals	Female	114	0	0	0	0	0	0	0	0
	Male	158	0	0	0	0	0	0	0	0
Clerks	Female	296	0	0	R29528,6,10	R29528,6,10	R116000	R116000	R306886	R306886
	Male	144	0	0	R59000	R59000	R29000	R29000	R88000	R88000
Service and sales workers	Female	193	0	0	R38069	R38069	0	0	R38069	R38069
	Male	507	0	0	R130931	R130931	0	0	R130931	R130931
Plant and machine operators & assemblers	Female	8	0	0	0	0	0	0	0	0
	Male	87	0	0	R42081,25	R42081,25	0	0	R42081,25	R42081,25
Elementary occupations	Female	631	R143000	R143000	R164327,74	R164327,74	0	0	R307327,74	R307327,74
	Male	738	R117000	R117000	R1070785,50	R1070785,50	0	0	R1187785,50	R1187785,50
Sub-totals	Female	1648	R143000	R143000	R411792,35	R411792,35	R203000	R203000	R775938,74	R775938,74
	Male	2226	R117000	R117000	R1302797,75	R1302797,75	R29000	R29000	R1448797,75	R1448797,75
Totals		3874	R260000	R260000	R1714590,10	R1714590,10	R232000	R232000	R2224736,49	R2224736,49

*% AND *R VALUE OF MUNICIPAL SALARIES (ORIGINAL BUDGET) ALLOCATED FOR WORKPLACE SKILLS PLAN

COMMENT ON SKILLS DEVELOPMENT AND RELATED EXPENDITURE AND ON THE FINANCIAL COMPETENCY REGULATIONS

The municipality has implemented 2 MFMA programme during the 2020/2021 Financial Year using the MFMA grant funding. In terms of implementation of the MFMA Competency Regulations the Msunduzi Municipality has ensured that the relevant employees within the five categories have been trained and the training is now being cascaded to other non-finance managers in the various Business Units and MFMA Interns.

A total of 20 employees have been trained which include those affected by the regulation including MFMA interns and non-finance officials reporting directly to managers affected by the regulation.

INTRODUCTION TO WORKFORCE EXPENDITURE

The municipality has made a concerted effort to manage workforce expenditure by improving the management and control of overtime.

EMPLOYEE EXPENDITURE

NUMBER OF EMPLOYEES WHOSE SALARIES WERE INCREASED DUE TO THEIR POSITIONS BEING UPGRADED		
Beneficiaries	Occupation	Total
Highly skilled production (Levels 6-8)	Principal Clerk (Benefits)	1
	Manager (Human Settlements)	1
	Meter Reader	1
	Authorised Officers	1

EMPLOYEES WHOSE SALARY LEVEL EXCEEDS THE GRADE DETERMINED BY JOB EVALUATION

EMPLOYEES WHOSE SALARY LEVEL EXCEEDS THE GRADE DETERMINED BY JOB EVALUATION				
Occupation	No. of employees	Job evaluation level	Remuneration level	Reason for deviation
Accountant	1	T12	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Accountant (Budget & Planning)	1	T12	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Accountant (Expenditure)	2	T12	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Accountant (Rates)	1	T12	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Accounts Officer	1	T11	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Administration Officer (Drawing Office)	1	T10	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Administration Officer (Projects & Insur	1	T10	Personal to Holder	Migration to new structure - previous perceived grading,

EMPLOYEES WHOSE SALARY LEVEL EXCEEDS THE GRADE DETERMINED BY JOB EVALUATION				
Occupation	No. of employees	Job evaluation level	Remuneration level	Reason for deviation
				implementation of TASK with lower monetary value
Administration Officer (Promotions)	1	T10	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Administration Officer.	3	T10	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Administrator	3	T09	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Administrator.	1	T09	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Advisor (Organizational Development)	1	T14	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Advisor (Training and Skills Development)	1	T14	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Archives, Registry & Information Manage	1	T13	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Area Manager	4	T15	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Artisan	2	T10	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Artisan (Electrician)	18	T10	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value

EMPLOYEES WHOSE SALARY LEVEL EXCEEDS THE GRADE DETERMINED BY JOB EVALUATION				
Occupation	No. of employees	Job evaluation level	Remuneration level	Reason for deviation
Artisan (Mechanic)	5	T10	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Artisan (Plumber / Fitter)	1	T10	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Benefits Administrator	1	T09	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Building Inspector	5	T10	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Business Analyst	2	T12	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Cable Layer	1	T05	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
CAD / GIS Operator	1	T09	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Call Centre Agent	3	T06	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Call Centre Controller	1	T11	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Caretaker	4	T06	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Caretaker (Halls)	2	T06	Personal to Holder	Migration to new structure - previous perceived grading,

EMPLOYEES WHOSE SALARY LEVEL EXCEEDS THE GRADE DETERMINED BY JOB EVALUATION				
Occupation	No. of employees	Job evaluation level	Remuneration level	Reason for deviation
				implementation of TASK with lower monetary value
Cashier	13	T05	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Chief Administration Officer (Informal E	1	T13	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Chief Building Inspector	1	T13	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Chief Co-ordinator (Education & Training	1	T13	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Chief Legal Advisor	1	T17	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Cleansing Officer	2	T11	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Clerk of Works	1	T11	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Committee Officer	9	T10	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Community Development Facilitator	5	T12	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Conservation Supervisor	1	T07	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value

EMPLOYEES WHOSE SALARY LEVEL EXCEEDS THE GRADE DETERMINED BY JOB EVALUATION				
Occupation	No. of employees	Job evaluation level	Remuneration level	Reason for deviation
Control Officer	1	T10	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Co-coordinator (SMME & Co-op)	2	T11	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Crematoria Operators	2	T06	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Data Base Support Officer	1	T09	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Data Capturer	2	T05	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Desktop Publisher	1	T09	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Desktop Support Technician	2	T10	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
District Horticulturalist	1	T12	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
District Horticulturist	2	T12	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Driver	7	T04	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Driver / Supervisor	2	T07	Personal to Holder	Migration to new structure - previous perceived grading,

EMPLOYEES WHOSE SALARY LEVEL EXCEEDS THE GRADE DETERMINED BY JOB EVALUATION				
Occupation	No. of employees	Job evaluation level	Remuneration level	Reason for deviation
				implementation of TASK with lower monetary value
Driver / Supervisor (High Pressure Clean)	1	T07	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Driver / Supervisor (Road Markers)	3	T07	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Driver / Supervisor (Road Signs)	1	T07	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
EAP Practitioner	1	T12	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
ECC Controller	1	T09	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Economist	1	T15	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Education Officer (Art)	2	T10	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Education, Development & Training Pract	4	T12	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Exit Controller	2	T05	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Facilitator (Ward Strategy)	1	T11	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value

EMPLOYEES WHOSE SALARY LEVEL EXCEEDS THE GRADE DETERMINED BY JOB EVALUATION				
Occupation	No. of employees	Job evaluation level	Remuneration level	Reason for deviation
Field Hygiene Worker	6	T03	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Financial Controller	1	T14	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Financial Manager	2	T16	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Fire Fighter	21	T09	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Foreman (Credit Meter, Bulk, Prepaid)	1	T12	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Foreman (Road Signs & Road Marking)	1	T12	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Foreman (Vulindlela)	1	T12	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
General Assistant	487	T03	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
GIS Operator	2	T09	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Handyman	6	T06	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Heavy Plant Operator	1	T03	Personal to Holder	Migration to new structure - previous perceived grading,

EMPLOYEES WHOSE SALARY LEVEL EXCEEDS THE GRADE DETERMINED BY JOB EVALUATION				
Occupation	No. of employees	Job evaluation level	Remuneration level	Reason for deviation
				implementation of TASK with lower monetary value
Heavy Plant Operator	1	T06	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
High Speed Copier Operator	1	T06	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
HIV / AIDS Counsellor & Trainer	1	T11	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Human Resources Manager	1	T15	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Human Resources Officer	1	T10	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Hydrant Maintenance Inspector	1	T06	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
ICT Projects Administrator	1	T09	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
ICT Support Officer	1	T11	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Inspector	4	T11	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Inspector (Bylaws, Wardens, Special Pat	1	T11	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value

EMPLOYEES WHOSE SALARY LEVEL EXCEEDS THE GRADE DETERMINED BY JOB EVALUATION				
Occupation	No. of employees	Job evaluation level	Remuneration level	Reason for deviation
Inspector (Warrant, Speed, Highway Patr	1	T11	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Installation Inspector	2	T10	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Interpreter / Translator	6	T10	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Landfill Officer	1	T11	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Liaison Officer (Informal Settlements)	1	T10	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Librarian	13	T11	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Library Assistant	31	T06	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Licensing Inspector	3	T09	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Manager (Administration)	1	T15	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Manager (Assurance)	1	T16	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Manager (Business Optimisation)	1	T15	Personal to Holder	Migration to new structure - previous perceived grading,

EMPLOYEES WHOSE SALARY LEVEL EXCEEDS THE GRADE DETERMINED BY JOB EVALUATION				
Occupation	No. of employees	Job evaluation level	Remuneration level	Reason for deviation
				implementation of TASK with lower monetary value
Manager (Business Waste)	1	T15	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Manager (Economic Development)	1	T17	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Manager (Environmental Health)	1	T16	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Manager (Financial & Cash Management)	1	T14	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Manager (Financial Performance)	1	T14	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Manager (HIV & AIDS / Social Services)	1	T15	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Manager (ICT Infrastructure)	1	T16	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Manager (IDP)	1	T16	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Manager (Licensing)	1	T14	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Manager (Logistic)	1	T15	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value

EMPLOYEES WHOSE SALARY LEVEL EXCEEDS THE GRADE DETERMINED BY JOB EVALUATION				
Occupation	No. of employees	Job evaluation level	Remuneration level	Reason for deviation
Manager (Office of the Mayor)	1	T16	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Manager (Real Estate & Valuation)	1	T16	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Manager (Secretariat & Auxiliary)	1	T14	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Manager (Utility Services)	1	T15	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Manager Payroll	1	T15	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Petrol Attendant	3	T03	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Pool Supervisors	3	T09	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Principal Administration Officer	1	T12	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Principal Administration Officer (Fleet)	1	T12	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Principal Clerk	4	T07	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Principal Clerk (Bulk)	1	T07	Personal to Holder	Migration to new structure - previous perceived grading,

EMPLOYEES WHOSE SALARY LEVEL EXCEEDS THE GRADE DETERMINED BY JOB EVALUATION				
Occupation	No. of employees	Job evaluation level	Remuneration level	Reason for deviation
				implementation of TASK with lower monetary value
Principal Clerk (Community Liaison)	1	T07	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Principal Clerk (Leases)	1	T07	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Principal Clerk (Loss Control)	1	T07	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Principal Clerk (Meter Reading)	1	T07	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Principal Clerk (Project and Insurance)	1	T07	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Principal Clerk (Queries)	1	T07	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Printing Assistant	1	T04	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Project Co-ordinator	1	T11	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Project Manager (Implementation)	1	T14	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Public Works Manager	1	T16	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value

EMPLOYEES WHOSE SALARY LEVEL EXCEEDS THE GRADE DETERMINED BY JOB EVALUATION				
Occupation	No. of employees	Job evaluation level	Remuneration level	Reason for deviation
Receptionist	4	T05	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Revenue Clearance Officer	1	T10	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Secretary	16	T07	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Security Officers	69	T07	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Senior Admin Officer (Beneficiary)	1	T11	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Senior Administration Officer	3	T11	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Senior Auditor	1	T13	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Senior Building Inspector (CBD & Ashburt	1	T11	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Senior Clerk	94	T06	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Senior Clerk (Operations)	1	T06	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Senior Contracts Officer	3	T11	Personal to Holder	Migration to new structure - previous perceived grading,

EMPLOYEES WHOSE SALARY LEVEL EXCEEDS THE GRADE DETERMINED BY JOB EVALUATION				
Occupation	No. of employees	Job evaluation level	Remuneration level	Reason for deviation
				implementation of TASK with lower monetary value
Senior Contracts Officer (Payments)	2	T11	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Senior Co-ordinator (Batho Pele)	1	T12	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Senior Co-ordinator (Media Liaison)	1	T12	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Senior Electrician	1	(blank)	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Senior Engineer	1	T15	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Senior Fleet Controller	1	T11	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Senior Groundsman	2	T08	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Senior Librarian	7	T12	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Senior Library Assistant	15	T07	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Senior Manager (Secretariat & Auxiliary)	1	T16	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value

EMPLOYEES WHOSE SALARY LEVEL EXCEEDS THE GRADE DETERMINED BY JOB EVALUATION				
Occupation	No. of employees	Job evaluation level	Remuneration level	Reason for deviation
Senior Technical Town Planner	4	T12	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Senior Technician	1	T12	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Senior Technologist (Project Implementat	1	T14	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Serviceman	2	T07	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Signs Inspector	1	T07	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Social Worker	1	T12	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Storekeeper	1	T06	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Supervisor	2	T08	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Survey Technician	1	T11	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Systems & Remunerations Officer	1	T12	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Team Leader	2	T06	Personal to Holder	Migration to new structure - previous perceived grading,

EMPLOYEES WHOSE SALARY LEVEL EXCEEDS THE GRADE DETERMINED BY JOB EVALUATION				
Occupation	No. of employees	Job evaluation level	Remuneration level	Reason for deviation
				implementation of TASK with lower monetary value
Technical Officer (Art)	1	T10	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Technician	10	T11	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Technician (Road Signs and Road Marking)	2	T11	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Technician (Construction)	1	T11	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Telephonist	3	T05	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Tractor Driver	13	T05	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Traffic Officer	27	T09	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Traffic Warden	19	T05	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Truck Driver	2	T05	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Tyre Fitter	1	T04	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value

EMPLOYEES WHOSE SALARY LEVEL EXCEEDS THE GRADE DETERMINED BY JOB EVALUATION				
Occupation	No. of employees	Job evaluation level	Remuneration level	Reason for deviation
Valuer	2	T12	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
VIP Protector	3	T07	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Ward Profiler	1	T10	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
Water Services Authority Manager	1	T16	Personal to Holder	Migration to new structure - previous perceived grading, implementation of TASK with lower monetary value
	1114			

EMPLOYEES NOT APPOINTED TO ESTABLISHED POSTS

EMPLOYEES NOT APPOINTED TO ESTABLISHED POSTS		
BUSINESS UNIT	POST TITLE	COMMENTS
Infrastructure Services	Clerk 1	Employee unallocated to approved structure – Close match not identified
Infrastructure Services	Clerk 1	Employee unallocated to approved structure – Close match not identified
Infrastructure Services	Clerk 2	Employee unallocated to approved structure – Close match not identified
City Manager's Office	Communications Officer	Employee unallocated to approved structure – Close match not identified
Budget & Treasury Office	Finance Support Manager	Employee unallocated to approved structure – Close match not identified
Corporate Services	Personnel Manager	Employee unallocated to approved structure – Close match not identified
Budget & Treasury Office	Principal Clerk	Employee unallocated to approved structure – Close match not identified
Community Services	Project Manager	Employee unallocated to approved structure – Close match not identified
Community Services	Senior Manager: Waste	Employee unallocated to approved structure – Close match not identified

Deficiencies in the current Job Descriptions are currently under review and it is anticipated that this exercise will narrow the gap of perceived and actual.

COMPONENT E: BUDGET & TREASURY BUSINESS UNIT

This component includes Budget Planning, Implementation and Monitoring, Assets and Liabilities Management, Supply Chain Management, Revenue Management, Expenditure Management and Finance Governance & Performance Management.

5. BUDGET & TREASURY BUSINESS UNIT

5.1. SERVICE DELIVERY OVERVIEW

SERVICE DELIVERY INTRODUCTION

1. SERVICE DELIVERY

- Indigent applications are valid from 1 July 2020 – 30 June 2021.
- Applications are available from 333 Church Street, Area Based Management Offices and all Ward Councillors offices.

2. INDIGENT POPULATION

- That the gross household income for qualification as a registered Indigent be determined each year by Council in terms of the tariff register. Currently the threshold income is R 4 560.00
- That the prescribed application forms be completed annually.

3. QUALIFICATION FOR CONCESSIONS – INDIGENT POLICY 2020/21

- Old age pensioners;
- People living with disabilities on state grant;
- Child headed household
- Child support grant and
- Unemployed.
- Permanent resident of Msunduzi municipality and must be South African
- Combined household income must not be greater than R 4 560.00

COMMENT ON ACCESS TO BASIC SERVICES

Total beneficiaries	18 295
Water concession beneficiaries	5 651
Electricity concession beneficiaries	2 890
Rates concession beneficiaries	791
Sewerage concession beneficiaries	4 386
Ampere charge concession beneficiaries	1 591
Refuse removal concession beneficiaries	4 577

CLASSIFICATION OF BENEFICIARIES FOR THE 2020/2021 FINANCIAL YEAR - GRAPHICAL REPRESENTATION

5.2. INDIGENTS (FREE BASIC SERVICES)

INTRODUCTION TO FREE BASIC SERVICES AND INDIGENT SUPPORT

Council receives Equitable Share to subsidise those who cannot afford to pay for the minimum needs in life. The objective in calculating the amount to be subsidised, must be to prevent an increasing balance on the account of an indigent as it will be difficult to recover the debt in a humanly way. According to the Municipal Systems Act 2000, Section 74(3) and 75(2) stipulates, “A tariff policy may differentiate between different categories of users/debtors.”

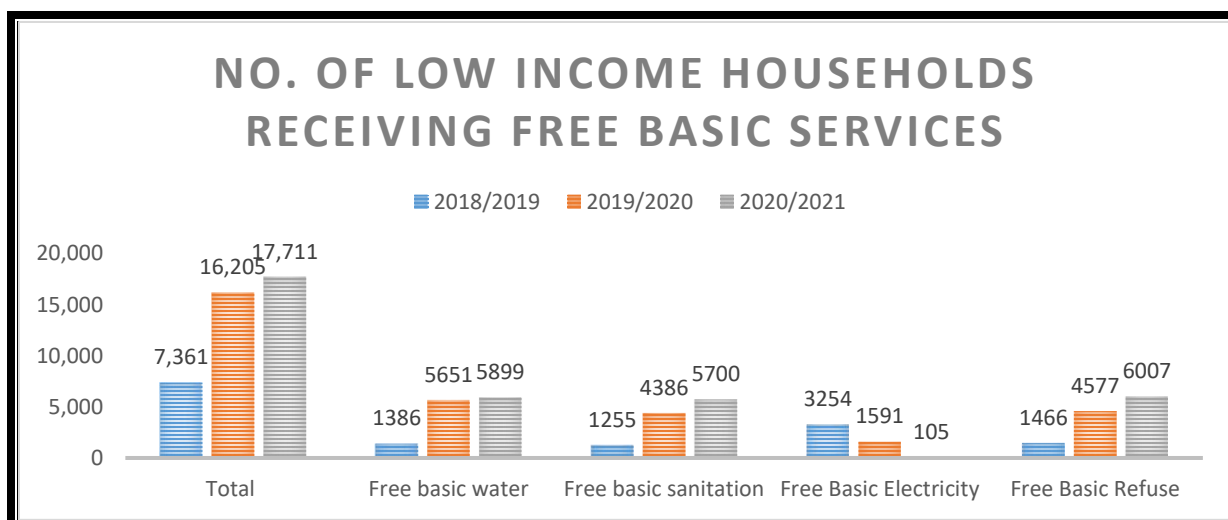
CRITERIA FOR APPROVAL

1. That the gross household income for qualification as a registered Indigent be determined each year by Council in terms of the tariff register. Currently the threshold income is R 4 560.00
2. That the prescribed application forms be completed annually.

FREE BASIC SERVICES TO LOW INCOME HOUSEHOLDS

FREE BASIC SERVICES TO LOW INCOME HOUSEHOLDS					
Financial year	Number of households				
	Households earning less than R1.100 per month				
	Total	Free basic water	Free basic sanitation	Free Basic Electricity	Free Basic Refuse
2018/2019	7 361	1386	1255	3254	1466
2019/2020	16 205	5651	4386	1591	4577
2020/2021	17 711	5899	5700	105	6007

FREE BASIC SERVICES TO LOW INCOME HOUSEHOLDS 2020/2021 FY GRAPHICAL REPRESENTATION



FINANCIAL PERFORMANCE 2020/2021: COST TO MUNICIPALITY OF FREE BASIC SERVICES DELIVERED

FINANCIAL PERFORMANCE 2020/2021: COST TO MUNICIPALITY OF FREE BASIC SERVICES DELIVERED					
Services Delivered	2019/2020	2020/2021			
	Actual	Budget	Adjustment Budget	Actual	Variance to Budget %
Water	3 106 805	178 413 327	0	4 643 713	2,6%
Waste Water (Sanitation)	2 529 249	12 388 759	0	10 510 907	84,8%
Electricity	4 237 236	3 108 977	0	20 072	0,6%
Waste Management (Solid Waste)	4 986 530	6 623 308	0	7 255 427	-9,5%
Total:	14 859 820	200 534 371	0	22 430 119	11,2%

COMMENT ON FREE BASIC SERVICES AND INDIGENT SUPPORT OVERALL

The equitable share received is used to fund Free Basic Services that is extended to all our customers who have been declared indigent who are earning below **R 4 860.00** as determined by Council. Further to the free basic services, we are trying to remove the burden from the indigent customers by reducing their amperage on the electricity they use to 20AMPS. We have started a project to replace all indigent customers meter with smart prepaid. Indigent policy refers to: people who are lacking the necessities of life such as sufficient water, basic sanitation, refuse removal, environmental health, basic energy, health care, housing, food and clothing. Spent on electricity for 2020/2021 was **R 20,072** , spent on water 2020/2021, **R 4 643 713** spent on sewerage for 2020/2021 **R 10 510 907**, spent on refuse 2020/2021 **R 7 255 427**

5.3. FINANCIAL HEALTH OVERVIEW

FINANCIAL OVERVIEW

The collection of revenue remains challenging for the City, the appointment of Debt Collectors will assist in the short term and once legal processes begin, this will drastically improve. However, the impact of COVID-19 on the livelihoods, of the residents of the City will continue into the near future.

FINANCIAL OVERVIEW 2020/2021			
			R'000
Details	Original Budget	Adjustment Budget	Actual
Income			
Grants	675 483	819 983	751 386
Taxes, Levies and	5 095 875	5 095 875	4 810 550
Other	146 452	146 452	
Subtotal	5 917 810	6 062 310	5 561 936
Less Expenditure	5 516 477	5 669 589	5 759 850
Net Total*			
* Note: Surplus/	401 333	392 720	(197 914)

Operating Ratios	
Details	%
Employee Cost	26%
Repairs and Maintenance	4%
Finance Charges and Depreciation	9%

COMMENT ON OPERATING RATIOS

TOTAL CAPITAL EXPENDITURE 2018/19– 2020/21			
Detail	2018/19	2019/20	2020/21
Original Budget	571 382	716 162	580 892
Adjustment Budget	595 676	784 265	747 190
Actual	488 582	419 933	685 931

COMMENT ON CAPITAL EXPENDITURE

The municipality's capital budget was initially R580 892million, during the adjustments budget, it was increased to R747 190 million. The increase was due to additional funding that was made available to deal with much needed infrastructure. Capital Expenditure remains a challenge in the Municipality. Weekly Capex and MIG meetings are being held in order to ensure and assist the

5.4. BUDGET PLANNING, IMPLEMENTATION & MONITORING

INTRODUCTION TO BUDGET PLANNING, IMPLEMENTATION & MONITORING

The Budget Planning Implementation and Monitoring unit undertakes the budget planning and ensures budgeting guidelines are followed in preparing the municipal budget. The unit must ensure a credible and funded budget is achieved by Council in order to enhance service delivery objectives of the Council.

ORGANIZATIONAL UNITS WITHIN BUDGET PLANNING, IMPLEMENTATION AND MONITORING

Ensure that municipal budget preparation and co-ordination is effectively undertaken thereby achieving a funded and credible for Council.

Consistent reporting on budget implementation

ORGANIZATIONAL UNITS WITHIN BUDGET PLANNING IMPLEMENTATION & MONITORING

- Budget Planning
- Budget Implementation, Monitoring and Reporting

Co-ordinates budget planning and preparation for the municipality. Ensure timeous reporting on budget implementation by uploading data strings into NT portal, preparation of S71 reports in terms of Municipal Finance Management Act.

SERVICE STATISTICS FOR BUDGET PLANNING, IMPLEMENTATION AND MONITORING

GRANT PERFORMANCE & GRANTS RECEIVED FROM SOURCES OTHER THAN DIVISION OF REVENUE ACT (DORA)

<u>GRANTS AND SUBSIDIES - REVENUE</u>	<u>2019</u>	<u>2020</u>	<u>Original Budget 2021</u>	<u>Adjusted budget 2021</u>	<u>2021</u>
NATIONAL GRANTS					
Equitable Share	505,852,849	546,052,000	593,405,000	682,403,000	682,403,000
Electricity Side Demand Management/Integrated National Electrification Programme	-	7,999,336	-	-	-
Finance Management Grant	1,700,000	1,700,000	1,700,000	1,700,000	1,700,000
Expanded Public Works Programme	2,890,000	4,200,000	4,388,000	4,388,000	3,918,986
Municipal Infrastructure Grant	177,835,131	186,804,326	196,128,000	206,840,542	204,433,543
Neighborhood Development Partnership Grant	1,071,555	9,957,109	35,000,000	18,000,000	16,930,754

<u>GRANTS AND SUBSIDIES - REVENUE</u>	<u>2019</u>	<u>2020</u>	<u>Original Budget 2021</u>	<u>Adjusted budget 2021</u>	<u>2021</u>
Public Transportation Infrastructure Grant	199,104,000	132,086,426	-	88,758,324	178,132,495
Water Services Infrastructure Grant	42,760,000	52,751,849	33,255,000	33,255,000	44,804,151
PROVINCIAL GRANTS			-	-	-
Pietermaritzburg Airport	54,118	-	2,500,000	2,500,000	2,173,164
Greater Edendale Development Initiative	15,619,464	11,746,894	-	12,835,934	97,085,533
Library	13,332,254	28,730,498	20,412,000	20,707,634	15,085,668
Market / Tourism Hub - COGTA	446,650	-	-	-	-
Tatham Art Gallery	685,301	642,517	1,262,000	1,262,000	886,456
Housing Accreditation	10,504,327	14,582,180	11,014,000	11,014,000	34,237,116
Manaye Area Precinct Upgrade	2,058,275	2,861,533	-	204,370	210,119
Youth Enterprise Park	1,809,558	6,315,717	-	2,616,061	2,595,863
Development of a Single Scheme	650,000	-	-	-	-
Jika Joe Community Residential Units	27,087,046	60,811,409	-	-	48,902,854
Oribi Village	689,836	-	-	-	-
Informal Economy Infrastructure Development	-	-	-	4,000,000	2,324,673
CBD Revitalisation	-	-	-	-	300,000
Municipal disaster relief grant	-	-	-	-	1,192,000
Housing Projects	-	-	267,004,423	250,388,156	1,231,264
Operation Dlulusumilando			-	-	363,010
Military Veterans			6,124,156	6,124,156	-

<u>GRANTS AND SUBSIDIES - REVENUE</u>	<u>2019</u>	<u>2020</u>	<u>Original Budget 2021</u>	<u>Adjusted budget 2021</u>	<u>2021</u>
Human Settlements - Accredited Municipal RO			24,079,242	24,079,242	-
Spatial dev Framework			1,500,000	-	-
Human Settlements - Title Deeds Restoration			3,603,000	-	-
Housing Development fund	-	-	-	22,465,010	
Total Grant And Subsidies	1,004,150, 363	1,067,241, 792	1,201,374,8 21	1,393,541,4 29	1,338,910, 647

COMMENT ON GRANTS, CONDITIONAL GRANTS AND GRANTS RECEIVED FROM OTHER SOURCES:

The actual figures in the tables above are the amounts that the Municipality utilized on capital and operational projects during the financial years. During 2018/2019 the municipality had spent 78.99% of the grants received during the year and grants rolled over from the prior year, in 2019/2020 the percentage decreased to 74.24%, in 2020/2021 the percentage increased to 87, 19%. In terms of the grants from other sources, the municipality did not receive any grants from other external funders for the last three financial years.

EMPLOYEE INFORMATION – BUDGET PLANNING IMPLEMENTATION & MONITORING

EMPLOYEE: BUDGET PLANNING IMPLEMENTATION & MONITORING					
BUDGET MONITORING AND IMPLEMENTATION & BUDGET PLANNING					
Job Level	2019/2020	2020/2021			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents No.	Vacancies (as a % of total posts) %
T01–T03	0	0	0	0	0
T04-T08	3	9	2	7	78
T09–T13	6	9	6	3	33
T14-T18	4	8	6	2	25
T19-T22	1	1	1	0	0
T23-T25	0	0	0	0	0
Total	14	27	15	12	44

FINANCIAL PERFORMANCE – BUDGET PLANNING IMPLEMENTATION & MONITORING

FINANCIAL PERFORMANCE 2020/2021: BUDGET PLANNING IMPLEMENTATION & MONITORING					
					R'000
BUDGET MONITORING AND IMPLEMENTATION & BUDGET PLANNING					
Details	2019/2020	2020/2021			
	Actual	Original Budget	Adjustment Budget	Actual	Variances to Budget%
Total Operational Revenue (excl. tariffs)	-	-	-	2	
Expenditure:					
Employees	12,404	17,457	15,948	13,385	-16.07%
Repairs and Maintenance	-	-	1	-	
Other	3,057	2,047	4,436	3,938	-11.23%
Total Operational Expenditure	15,461	19,504	20,385	17,323	-15.02%
Net operational (Service) Expenditure	15,461	19,504	20,385	17,321	-15.03%
Net expenditure to be consistent with summary table T5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Adjustment Budget over the Adjustment Budget					

CAPITAL EXPENDITURE – BUDGET PLANNING IMPLEMENTATION & MONITORING

CAPITAL EXPENDITURE 2020/2021: BUDGET PLANNING IMPLEMENTATION & MONITORING					
					R'000
BUDGET MONITORING AND IMPLEMENTATION & BUDGET PLANNING					
Details	2020/2021				
	Budget	Adjustment Budget	Actual Expenditure	Variances to Budget %	Total Project Value
Total All	0	0	0		
Project A	0	0	0		
Project B	0	0	0		
Project C	0	0	0		
Project D	0	0	0		

BUDGET PLANNING, IMPLEMENTATION & MONITORING POLICY OBJECTIVES TAKEN FROM IDP

BUDGET PLANNING, IMPLEMENTATION & MONITORING														
OP REFERENCE	PERFORMANCE REPORTING 2019/2020 FY - ANNUAL PROGRESS REPORT			OP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	BASELINE / STATUS QUO	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL 2019/2020 FY PROGRESS REPORT							ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)					ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
B & T 01	Final Draft budget for 2020/21 FY & two outer years prepared & submitted to SMC by the 31st of March 2020	Final Draft budget for 2020/21 FY & two outer years prepared & submitted to SMC by the 31st of March 2020	3 (100% - 129%)	B & T 01	NKPA 4 - FINANCIAL VIABILITY & FINANCIAL MANAGEMENT	IDP/Budget process plan	Final Draft budget submitted to SMC by the 30th of March 2020	Final Draft budget for 2021/22 FY & two outer years prepared & submitted to SMC by the 31st of March 2021	Final Draft budget for 2021/22 FY & two outer years prepared & submitted to SMC by the 31st May 2021	3 (100% - 129%)	budget needed to be trimmed and National treasury comments to reduce budget	N/A	N/A	N/A
	N/A	N/A	N/A					N/A	N/A	N/A	N/A	N/A	N/A	
B & T 02	Uploading of MSCOA Budget data strings onto the NT portal for the 2020/21 FY completed by the 30th of June 2020	Uploading of MSCOA Budget data strings onto the NT portal for the 2020/21 FY completed by the 30th of June 2020	3 (100% - 129%)	B & T 02	NKPA 4 - FINANCIAL VIABILITY & FINANCIAL MANAGEMENT	IDP/Budget process plan	Uploading of draft & final approved Budget data strings onto the NT portal in the 2019/20 FY	MSCOA Budget data strings uploaded onto the National Treasury portal for the 2020/21 FY completed by the 30th of April 2021	MSCOA Budget data strings uploaded onto the National Treasury portal for the 2020/21 FY completed by the 31st May 2021	3 (100% - 129%)	N/A	N/A	N/A	N/A
	N/A	N/A	N/A					N/A	N/A	N/A	N/A	N/A	N/A	

BUDGET PLANNING, IMPLEMENTATION & MONITORING

OP REFERENCE	PERFORMANCE REPORTING 2019/2020 FY - ANNUAL PROGRESS REPORT			OP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	BASELINE / STATUS QUO	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL 2019/2020 FY PROGRESS REPORT							ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)					ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
B & T 03	Summary of the approved budget and tariff of charges for the 2020/21 FY advertised by the 30th of June 2020	Summary of the approved budget and tariff of charges for the 2020/21 FY advertised by the 30th of June 2020	3 (100% - 129%)	B & T 03	NKPA 4 - FINANCIAL VIABILITY & FINANCIAL MANAGEMENT	IDP/Budget process plan	Summary of the approved budget and tariff of charges for the 2020/2021 FY advertised by the 30th of June 2020	Summary of the approved budget and tariff of charges for the 2020/21 FY advertised by the 30th of June 2021	Summary of the approved budget and tariff of charges for the 2021/22 FY advertised by the 30th of June 2021	3 (100% - 129%)	N/A	N/A	N/A	N/A
	N/A	N/A	N/A					N/A	N/A	N/A	N/A	N/A	N/A	
B & T 04	12 x S71 reports produced and submitted to SMC by the 30th of June 2020	11 x S71 reports produced and submitted to SMC by the 30th of June 2020	2 (70% - 99%)	B & T 04	NKPA 4 - FINANCIAL VIABILITY & FINANCIAL MANAGEMENT	Financial reporting	12 x S71 reports produced and submitted to SMC by the 30th of June 2020	12 x S71 reports produced and submitted to SMC by the 30th of June 2021	12 x S71 reports produced and submitted to SMC by the 30th of June 2021	3 (100% - 129%)	N/A	N/A	N/A	N/A
	N/A	N/A	N/A					N/A	N/A	N/A	N/A	N/A	N/A	

EMPLOYEE INFORMATION – BUDGET PLANNING IMPLEMENTATION & MONITORING

EMPLOYEE: BUDGET PLANNING IMPLEMENTATION & MONITORING					
BUDGET MONITORING AND IMPLEMENTATION & BUDGET PLANNING					
Job Level	2019/2020	2020/2021			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents No.	Vacancies (as a % of total posts) %
T01–T03	0	0	0	0	0
T04-T08	3	9	2	7	78
T09–T13	6	9	6	3	33
T14-T18	4	8	6	2	25
T19-T22	1	1	1	0	0
T23-T25	0	0	0	0	0
Total	14	27	15	12	44

FINANCIAL PERFORMANCE – BUDGET PLANNING IMPLEMENTATION & MONITORING

FINANCIAL PERFORMANCE 2020/2021: BUDGET PLANNING IMPLEMENTATION & MONITORING					
					R'000
BUDGET MONITORING AND IMPLEMENTATION & BUDGET PLANNING					
Details	2019/2020	2020/2021			
	Actual	Original Budget	Adjustment Budget	Actual	Variances to Budget%
Total Operational Revenue (excl. tariffs)	-	-	-	2	
Expenditure:					
Employees	12,404	17,457	15,948	13,385	-16.07%
Repairs and Maintenance	-	-	1	-	
Other	3,057	2,047	4,436	3,938	-11.23%
Total Operational Expenditure	15,461	19,504	20,385	17,323	-15.02%
Net operational (Service) Expenditure	15,461	19,504	20,385	17,321	-15.03%
Net expenditure to be consistent with summary table T5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Adjustment Budget over the Adjustment Budget					

CAPITAL EXPENDITURE – BUDGET PLANNING IMPLEMENTATION & MONITORING

CAPITAL EXPENDITURE 2020/2021: BUDGET PLANNING IMPLEMENTATION & MONITORING					
					R'000
BUDGET MONITORING AND IMPLEMENTATION & BUDGET PLANNING					
Details	2020/2021				
	Budget	Adjustment Budget	Actual Expenditure	Variances to Budget %	Total Project Value
Total All	0	0	0		
Project A	0	0	0		
Project B	0	0	0		
Project C	0	0	0		
Project D	0	0	0		

COMMENT ON THE PERFORMANCE OF BUDGET PLANNING IMPLEMENTATION & MONITORING OVERALL

The unit's performance is mainly dependent on the use of a system. From the inception of the budget preparation processes are mainly system driven more especially since the introduction of the mSCOA regulation. Unfortunately, SAP in its current form makes it difficult to perform at an optimum level hence monthly reporting not taking place as per MFMA requirements.

5.5. REVENUE MANAGEMENT UNIT

INTRODUCTION TO REVENUE MANAGEMENT UNIT

Revenue Management involves all procedures necessary to ensure that all income is fully accounted for. The service delivery objectives of the department is the collection of revenue, the accounting of all revenue streams and the management of indigent residents in the City.

ORGANIZATIONAL UNITS WITHIN REVENUE MANAGEMENT UNIT

COMPLIANCE DATA ANALYSIS & REPORTING

The compliance data and analysis and reporting section manages the Tariff Review and Approval Process by ensuring that the tariffs follow legislative compliance for billing for each financial year, especially in terms of Section 75A of the Systems Act. The approval of the Tariff Policy is also a deliverable in terms of the Systems Act. The section also supports the Annual Financial Statement Process through the finalization of monthly reconciliations relating to the Subsidiary Ledger, General Ledger and Trial Balance. Short and long-term service delivery objectives are monitored as required by the section. The compliance data analysis unit met all the targets set for the 2020/21 period.

CUSTOMER CARE

The Customer Care Section is responsible for new service application, application for service alteration, application for property transfers, prepaid electricity sales, receipting and handling of customer queries. Customer Care consists of five sub-sections as listed below: **Counter Enquiries Section, Receipting Section, Service Application Section, Correspondence Section and Prepaid Electricity administration Section**

DEBT MANAGEMENT

Monitoring

The Municipality conducted an analysis of its processes to recover its revenue and well as the processes followed in outstanding debt recovery. This value chain was thoroughly analyzed with intention to revamp, augment or restructure the processes and the organogram. The analysis revealed amongst others that the application of the credit control and debt collection policy does not yield the expected outcomes due to the fact that when services are disconnected/restricted for debt recovery, customers reconnect themselves, hence a low outstanding debt payment. This could be clearly identified by a low percentage of reconnections versus the number of disconnections done within the same month.

SERVICE STATISTICS FOR REVENUE MANAGEMENT

DEBT RECOVERY

DEBT RECOVERY								
R'000								
Details of the types of account raised and recovered	2018/2019		2019/2020			2020/2021		
	Actual for accounts billed in year	Proportion of accounts value billed that were collected in the year %	Billed in year	Actual for accounts billed in year	Proportion of accounts value billed that were collected in the year %	Billed in year	Actual for accounts billed in year	Proportion of accounts value billed that were collected in the year %
Property Rates	860,715	756,609	88%	743 789 895	1 249 572 87	81914	1,232,270,127.44	854,623,966.24
Electricity - B	401649	401649	100%	-	-		416,005,224.48	
Electricity - C	1587948	2073920	130%	1 760 154 478	2 185 408 31	51225	1,238,756,928.84	1,819,197,475.35
Water - B	18696	18696	100%	-	-		441,692,279.08	
Water - C	626,816	452,308	72%	404 823 655	811,691,269	91673	735,122,144.83	430,225,060.15
Sanitation	152,241	133,176	88%	134 586 061	197,304,498	70820	251,851,769.24	124,227,443.49
Refuse	85,809	70,059	83%	85 445 697	124,150,236	67792	125,153,550.85	77,860,713.33
Other	140,967	21,882	15%	16 952 613	53,041,313	8109	33,137,266.63	

COMMENT ON DEBT RECOVERY

Council is appointing a panel of Debt Collectors to collect outstanding arrears from debtors. The MM has formed a Debt Recovery Task Team that is going out and disconnecting properties with high debt daily. Our credit control policy reviewed annual to close the loop holes and any gaps that were identified during the past financial year.

EMPLOYEE INFORMATION – REVENUE MANAGEMENT UNIT

EMPLOYEE: REVENUE MANAGEMENT					
COMPLIANCE DATA ANALYSIS & REPORTING, CUSTOMER CARE, DEBTORS MANAGEMENT, RATES AND AUXILIARY SERVICES & UTILITY SERVICES					
Job Level	2019/2020		2020/2021		
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents No.	Vacancies (as a % of total posts) %
T01–T03	0	0	0	0	0
T04-T08	121	173	120	53	31
T09–T13	16	27	17	10	37
T14-T18	4	5	3	2	40
T19-T22	1	1	0	1	100
T23-T25	0	0	0	0	0
Total	142	206	140	66	32

FINANCIAL PERFORMANCE - REVENUE MANAGEMENT UNIT

FINANCIAL PERFORMANCE 2020/2021: REVENUE MANAGEMENT					
R'000					
COMPLIANCE DATA ANALYSIS & REPORTING, CUSTOMER CARE, DEBTORS MANAGEMENT, RATES AND AUXILIARY SERVICES & UTILITY SERVICES					
Details	2019/2020	2020/2021			
	Actual	Original Budget	Adjustment Budget	Actual	Variances to Budget%
Total Operational Revenue (excl. tariffs)	2,545	6,579	6,579	3,122	-52.55%
Expenditure:					
Employees	98,997	83,748	87,702	80,834	-7.83%
Repairs and Maintenance	269	597	687	446	-35.08%
Other	31,347	39,825	39,145	37,319	-4.66%
Total Operational Expenditure	130,613	124,170	127,534	118,599	-7.01%
Net operational (Service) Expenditure	128,068	117,591	120,955	115,477	-4.53%
Variances are calculated as follows: Actual expenditure – Adjusted budget divided by the Adjusted budget x 100.					

CAPITAL EXPENDITURE - REVENUE MANAGEMENT UNIT

CAPITAL EXPENDITURE 2020/2021: REVENUE MANAGEMENT					
R'000					
COMPLIANCE DATA ANALYSIS & REPORTING, CUSTOMER CARE, DEBTORS MANAGEMENT, RATES AND AUXILIARY SERVICES & UTILITY SERVICES					
Details	2020/2021				
	Budget	Adjustment Budget	Actual Expenditure	Variances to Budget %	Total Project Value
Total All	0	65	0	- 100.00%	
Furniture	-	65	-	- 100.00%	

REVENUE MANAGEMENT UNIT POLICY OBJECTIVES TAKEN FROM IDP

SUB UNIT: REVENUE MANAGEMENT														
OP REFERENCE	PERFORMANCE REPORTING 2019/2020 FY - ANNUAL PROGRESS REPORT			OP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	BASELINE / STATUS QUO	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL 2019/2020 FY PROGRESS REPORT							ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)					ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
REV 01	Credit Control, Tariffs, Indigent, Rates and Debt Write off policies reviewed and submitted to SMC by the 31st of May 2019 for approval by Council for the 2020/2021 FY	Credit Control, Tariffs, Indigent, Rates and Debt Write off policies reviewed and submitted to SMC by the 31st of May 2019 for approval by Council for the 2020/2021 FY	3 (100% - 129%)	REV 01	NKPA 4 - MUNICIPAL FINANCIAL VIABILITY	Adoption of Revenue related policies	Credit Control, Tariffs, Indigent, Rates and Debt Write off policies reviewed and approved submitted to SMC by the during MAY 2019 for approval by Council FOR 2019/2020	100% of all Revenue Management policies (Credit Control, Tariffs, Indigent, Rates and Debt Write off) for the 21/22 FY reviewed and submitted to SMC for onward transmission to Council for approval by the 31st of May 2021	100% of all Revenue Management policies (Credit Control, Tariffs, Indigent, Rates and Debt Write off) for the 21/22 FY reviewed and submitted to SMC for onward transmission to Council for approval by the 31st of May 2021	3 (100% - 129%)	N/A	N/A	N/A	Reviewed policies, SMC for approval of 2021/22 budget
	N/A	N/A	N/A					N/A	N/A	N/A	N/A	N/A	N/A	
REV 02	12 x monthly debtors age analysis reports submitted to SMC by the 30th of June 2020	12 x monthly debtors age analysis reports submitted to SMC by the 30th of June 2020	3 (100% - 129%)	REV 02	NKPA 4 - MUNICIPAL FINANCIAL VIABILITY	Revenue Management	12 x monthly debtors age analysis reports submitted to SMC by the 30th of June 2021	12 x monthly debtors age analysis reports for the 20/21 FY prepared & submitted to SMC by the 30th of June 2021	12 x monthly debtors age analysis reports for the 20/21 FY prepared & submitted to SMC by the 30th of June 2021	2 (70% - 99%)	The May report was signed in July	N/A	N/A	Monthly age analysis report
	N/A	N/A	N/A					N/A	N/A	N/A	N/A	N/A		

SUB UNIT: REVENUE MANAGEMENT

OP REFERENCE	PERFORMANCE REPORTING 2019/2020 FY - ANNUAL PROGRESS REPORT			OP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	BASELINE / STATUS QUO	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL 2019/2020 FY PROGRESS REPORT							ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)					ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
REV 03	90% Monthly collection rate of current debt by the 30th of June 2020	68% Monthly collection rate of current debt by the 30th of June 2020	2 (70% - 99%)	REV 03	NKPA 4 - MUNICIPAL FINANCIAL VIABILITY			85% Monthly collection rate of current debt achieved for the 20/21 FY by the 30th of June 2021	99% Monthly collection rate of current debt achieved for the 20/21 FY by the 30th of June 2021	3 (100% - 129%)	N/A	N/A	N/A	Monthly age analysis report
N/A	N/A	N/A	N/A			Revenue Management	85% Monthly collection rate of current debt by the 30th of June 2021	N/A	N/A	N/A	N/A	N/A	N/A	N/A
REV 04	10% Monthly collection rate of arrear debt by the 30th of June 2020	0% Monthly collection rate of arrear debt by the 30th of June 2020	1 (69% & below)	REV 04	NKPA 4 - MUNICIPAL FINANCIAL VIABILITY		1% Monthly collection rate of arrear debt achieved for the 20/21 FY by the 30th of June 2021	0% Monthly collection rate of arrear debt achieved for the 20/21 FY by the 30th of June 2021	1 (69% & below)	Impact of COVID on livelihood of residents.	The municipality has implemented the improved disconnection drive with disconnection being done on a daily basis and daily monitoring meetings conducted.	21/22 FY	Monthly age analysis reports.	
N/A	N/A	N/A	N/A			N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

COMMENT ON THE PERFORMANCE OF REVENUE MANAGEMENT UNIT OVERALL

Utility Services: Our target to be achieved is related to the meter estimated. We have intervention plan in place where a Task Team was formed. The Estimated Task Team meets every Fridays to discuss the progress on the meters that are replaced and initiative to gain access to properties. The target has not yet been achieved as we should be reading our meters without estimating them. The stats as at 30th June 2021 was 79% meter read with 21% estimated.

The other initiative was a call for a Tender for Mobile Meter Reading App so that meters are read using the hand held devices. The appointment is at final stage, just waiting for the objection period to lapse so that the service provider can continue with the development of the APP. No capital expenditure has yet been spent on the development of the App.

5.6. EXPENDITURE MANAGEMENT UNIT

INTRODUCTION TO EXPENDITURE MANAGEMENT UNIT

Expenditure Management is a sub-unit within Budget and Treasury Business Unit responsible for the management of payments to creditors of the municipality, payments of salaries and allowances to municipal staff and reporting. The service that we provide is a support service to the municipality and there is no direct impact on service delivery.

ORGANIZATIONAL UNITS WITHIN EXPENDITURE MANAGEMENT UNIT

- Creditors, responsible for the management and controlling of payments to creditors.
- Internal Controls, responsible for the review and improvement of internal controls within the organisation.
- Pay Office, responsible for the management and controlling of payments salaries and allowances.

SERVICE STATISTICS FOR EXPENDITURE MANAGEMENT UNIT

The targets for creditors section was to pay all service provider within 30 days from date of receipt of invoice or statement as per the MFMA. The target could not be met due to delays caused by internal processes and low cash flow.

EMPLOYEE INFORMATION – EXPENDITURE MANAGEMENT UNIT

EMPLOYEE: EXPENDITURE MANAGEMENT					
CREDITORS, INTERNAL CONTROLS, PAY OFFICE					
Job Level	2019/2020	2020/2021			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents No.	Vacancies (as a % of total posts) %
T01–T03	0	0	0	0	0
T04-T08	19	21	19	2	10
T09–T13	11	16	10	6	38
T14-T18	2	3	2	1	33
T19-T22	1	1	1	0	0
T23-T25	0	0	0	0	0
Total	33	41	32	9	22

FINANCIAL PERFORMANCE – EXPENDITURE MANAGEMENT UNIT

FINANCIAL PERFORMANCE 2020/2021: EXPENDITURE MANAGEMENT & SAP					
'000					
CREDITORS, INTERNAL CONTROLS, PAY OFFICE , SAP					
Details	2019/2020	2020/2021			
	Actual	Original Budget	Adjustment Budget	Actual	Variances to Budget%
Total Operational Revenue (excl. tariffs)	-	-	-	1	
Expenditure:					
Employees	12,862	15,018	15,654	14,935	-4.59%
Repairs and Maintenance	-	-	-	-	
Other	50,841	17,451	30,384	29,774	-2.01%
Total Operational Expenditure	63,703	32,469	46,038	44,709	-2.89%
Net operational (Service) Expenditure	63,703	32,469	46,038	44,708	-2.89%

CAPITAL EXPENDITURE – EXPENDITURE MANAGEMENT UNIT

CAPITAL EXPENDITURE 2020/2021: EXPENDITURE MANAGEMENT					
R'000					
CREDITORS, INTERNAL CONTROLS, PAY OFFICE					
Details	2020/2021				
	Budget	Adjustment Budget	Actual Expenditure	Variances to Budget %	Total Project Value
Total All	0	30	0		
Furniture	-	30	-	-100.00%	

EXPENDITURE MANAGEMENT UNIT POLICY OBJECTIVES TAKEN FROM IDP

SUB UNIT: EXPENDITURE MANAGEMENT														
OP REFERENCE	PERFORMANCE REPORTING 2019/2020 FY - ANNUAL PROGRESS REPORT			OP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	BASELINE / STATUS QUO	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL 2019/2020 FY PROGRESS REPORT							ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)					ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
EX P 01	12 x monthly reports on Fruitless and Wasteful Expenditure for 19/20 FY prepared submitted to SMC by the 30th of June 2020	11 x monthly reports on Fruitless and Wasteful Expenditure for 19/20 FY prepared submitted to SMC by the 30th of June 2020	2 (70% - 99%)	EX P 01	FINANCIAL VIABILITY & FINANCIAL MANAGEMENT	Expenditure Management	11 x monthly reports on Fruitless and Wasteful Expenditure prepared submitted to SMC by the 30th of June 2020	12 x monthly progress reports for the 20/21 FY on Fruitless and Wasteful Expenditure prepared & submitted by the 10th of the new month to SMC by the 30th of June 2021	12 x monthly progress reports for the 20/21 FY on Fruitless and Wasteful Expenditure prepared & submitted by the 10th of the new month to SMC by the 30th of June 2021	3 (100% - 129%)	N/A	N/A	N/A	Report to SMC
	N/A	N/A	N/A					N/A	N/A	N/A	N/A	N/A	N/A	
EX P 02	12 x Monthly reports on suppliers not paid within 30 days for 19/20 FY prepared submitted to SMC by the 30th of June 2020	7 x Monthly reports on suppliers not paid within 30 days for 19/20 FY prepared submitted to SMC by the 30th of June 2020	2 (70% - 99%)	EX P 02	FINANCIAL VIABILITY & FINANCIAL MANAGEMENT	Expenditure Management	7 x Monthly reports on suppliers not paid within 30 days for 19/20 FY prepared submitted to SMC by the 30th of June 2020	12 x monthly progress reports for the 20/21 FY on suppliers not paid within 30 days prepared submitted by the 10th of the new month to SMC by the 30th of June 2021	12 x monthly progress reports for the 20/21 FY on suppliers not paid within 30 days prepared submitted by the 10th of the new month to SMC by the 30th of June 2021	3 (100% - 129%)	N/A	N/A	N/A	Report to SMC
	N/A	N/A	N/A					N/A	N/A	N/A	N/A	N/A	N/A	

SUB UNIT: EXPENDITURE MANAGEMENT

OP REFERENCE	PERFORMANCE REPORTING 2019/2020 FY - ANNUAL PROGRESS REPORT			OP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	BASELINE / STATUS QUO	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL 2019/2020 FY PROGRESS REPORT							ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)					ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
EX P 03	95% of all creditors must be paid within 30 days from date of receipt of invoice by Expenditure Management unit from suppliers by the 30th of June 2020	85% of all creditors must be paid within 30 days from date of receipt of invoice by Expenditure Management unit from suppliers by the 30th of June 2020	2 (70% - 99%)	EX P 03	FINANCIAL VIABILITY & FINANCIAL MANAGEMENT	Expenditure Management	90 % of all creditors must be paid within 30 days from date of receipt of invoice by Expenditure Management unit from suppliers by the 30th of June 2020	90% of all creditors for the 20/21 FY must be paid within 30 days from date of receipt of invoice by Expenditure Management unit from suppliers by the 30th of June 2021	70% of all creditors for the 20/21 FY must be paid within 30 days from date of receipt of invoice by Expenditure Management unit from suppliers by the 30th of June 2021	2 (70% - 99%)	Low cash flow.	Payment arrangement entered into with Umgeni	2021/22 financial year.	Creditors Age Analysis
	N/A	N/A	N/A					N/A	N/A	N/A	N/A	N/A	N/A	N/A
EX P 04	Annual Review of Procedures Manuals (Payment of Creditors & Payroll Manual) completed and submitted to Council for approval by the 30th of June 2020	Annual Review of Procedures Manuals (Payment of Creditors & Payroll Manual) completed and submitted to Council for approval by the 30th of June 2020	2 (70% - 99%)	EX P 04	NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT	Expenditure Management	Procedures are reviewed once a year.	Review of Procedures Manuals (Payment of Creditors & Payroll Manual) for the 21/22 FY completed and submitted to SMC for onward transmission to Council for approval by the 31st of March 2021	Review of Procedures Manuals (Payment of Creditors & Payroll Manual) for the 21/22 FY completed and submitted to SMC for onward transmission to Council for approval by the 31st of March 2021	2 (70% - 99%)	Policy manuals were approved after the targeted date	N/A	N/A	Draft Reviewed Procedure Manual.

COMMENT ON THE PERFORMANCE OF EXPENDITURE MANAGEMENT UNIT OVERALL

Processing and payment of Salaries and Allowances to staff has always been undertaken on due date. Delay in payments to creditors has been a challenge due to long internal processes and lack of cash flow. The sub unit will review the procedure related to payments of creditors with the intention to shorten the process and pay within prescribed timeline.

5.7. SUPPLY CHAIN MANAGEMENT UNIT

OVERVIEW OF SUPPLY CHAIN MANAGEMENT (SCM)

In terms of the MFMA SCM regulations and relevant legislative provisions regulating local government procurement, the SCM policy of the municipality must provide for a system of demand, acquisition, logistics, disposal, risk and performance management, and thus the Msunduzi SCM policy has been aligned accordingly. The following is a brief overview of the processes that have been established and implemented within the Supply Chain Management system as drawn from the SCM model below.

DEMAND MANAGEMENT

The main objective of the plan is to assist the service deliver business units to achieve their service delivery mandates and to meet their service delivery requirements without any SCM processes delays and this forms the integral component of the entire process to ensure effectiveness, efficient and economical SCM processes.

ACQUISITION MANAGEMENT

The SCM unit in collaboration with the relevant secretariat support will continually strive to ensure that the three (3) tier Bid Committee structures are fully functional and well trained to execute their functions.

BID COMMITTEE MEMBERS

BID ADJUDICATION COMMITTEE (7)	MEMBERSHIP STATUS	BUSINESS UNIT	POSITION
Nelisiwe Ngcobo	Chairperson	Finance	CFO
Dudu Gambu	Chairperson	Finance	Acting CFO
Brenden Sivpersad	Member	ISF	Acting : GM ISF
Sikelela Ndzalela	Member	SCM	Acting SM : SCM
Ngangenkosi Mpsi	Member	ISF (Electricity)	SM Electricity
Felix Nxumalo	Member	Sustainable Dev	GM : Sustainable Development
Mbongeni Mathe	Member	Community Services	Acting GM :CS
Mduduzi Mbokazi	Ex Officio Member	Corporate Services	Legal Advisor

BID EVALUATION COMMITTEE TECHNICAL (7)	MEMBERSHIP STATUS	BUSINESS UNIT	POSITION
Bheki Sosibo	Chairperson	ISF: Roads	Manager: Roads, Operation and Maintenance
Thabani Madlala	Member	ISF: Electricity	Manager: Electricity
Mxolisi Dladla	Member	SCM	Contract officer
Thamsanqa Makhanya	Member	ISF W&S	Manager : Water Construction
Njabulo Mthembu	Member	Sustainable Dev	Project Manager Human Settlement
Sipho Nxumalo	Member	Finance(Expenditure)	Senior Manager: Expenditure
Johan Van Der Merve	Ex Officio Member	Corporate Services : Legal	Legal Advisor
Nomfundo Hlophe	Ex Officio Member	Corporate Services : Legal	Legal Advisor

BID EVALUATION COMMITTEE TECHNICAL (7) – GOODS & SERVICES	MEMBERSHIP STATUS	BUSINESS UNIT	POSITION
George Lebelo	Chairperson	Sustainable Dev	Senior Manager: Budget Planning, Implementation and Monitoring**
Zoleka Bhomoyi	Member	Finance: SCM	Manager contract management (A)
Ntobeko Ngcobo	Member	Communications and Marketing	Advisor Communications and Marketing
Khanyisile Shoba	Member	Finance	Senior Manager Finance Governance & Performance
Bheka Kanyile	Member	Electricity	Chief Engineer :Revenue
Simphiwe Mbanjwa	Member	SD Human Settlement	Manager
Kass Thaver	Ex Officio Member	Corporate Services : Legal	Legal Advisor

BID SPECIFICATION COMMITTEE TECHNICAL(7)	MEMBERSHIP STATUS	BUSINESS UNIT	POSITION
Lindelwa Mngonelwa	Chairperson	ISF: Transportation	Manager Transportation Planning
Bukelani Mbhele	Member	Community Services: Buildings	Manager: Building and Facilities
Sibusiso Mkhize	Member	Finance : SCM	Manager Logistics
Phumlani Gumede	Member	Sustainable Dev	Manager Planning, Sustainable Development
Sthembiso Thabethe	Member	ISF: Electricity	Engineer Planning Customer Services

BID SPECIFICATION COMMITTEE TECHNICAL(7)	MEMBERSHIP STATUS	BUSINESS UNIT	POSITION
Nonjabulo Shezi	Member	Finance: SCM	Monitoring Officer
Sboniso Zulu	Member	Sustainable Dev: ED	Manger- Land Survey
Xolie Ndzingi	Ex Officio Member	Corporate Services: Legal	Legal Advisor

BID SPECIFICATION COMMITTEE TECHNICAL(7) – GOODS & SERVICES	MEMBERSHIP STATUS	BUSINESS UNIT	POSITION
Sipho Dubazana	Chairperson	Corporate Services: Secretariat	Senior Manager: Secretariat and Auxiliary Services
Sibusiso Mkhize	Chairperson	Finance: SCM	Manager: Stores
Vinay Mohanlal	Member	Finance: SCM	Contract Officer
Mandla Zuma	Member	Community Services	Senior Manager: Recreation and Facilities
Fatima Mota	Member	IST: Water and Sanitation	Senior Engineer
Siya Dlamini	Member	Corporate Services (ICT)	Data Support Technician
Thavandree Gounder	Member	Community Services(Building)	Professional Engineer
Johan Van Der Merve	Ex Officio Member	Corporate Services : Legal	Legal Advisor
Lungisani Ntuli	Member	Electricity	Manager

LOGISTICS MANAGEMENT

Part of the responsibilities of logistic management is to safeguard and maintain stock; Camera systems have been installed and this will greatly help in minimizing some of the losses that are associated with stock theft.

DISPOSAL MANAGEMENT

An effective system of disposal management has been established and detailed processes developed to ensure compliance with section 40 of the SCM regulations.

RISK MANAGEMENT

A SCM policy and procedures have developed to ensures compliance and the monitoring of compliance with the SCM regulations. This unit manage risks by identifying and allocating the risk to the appropriate party in collaboration with the risk division in the Internal Audit and any other relevant stake holder

PERFORMANCE MANAGEMENT (MONITORING AND CONTRACT ADMINISTRATION)

Contract Management is a sub-unit within Supply Chain Management delegated with the duties pertaining to the dispensation of processes associated with monitoring compliance with standards, procedures, regulations and specifications encompassed in Procurement Regulations with regards to the contracts enforcements, preparing and presenting investigational and qualitative reports.

TO FULFIL THESE MANDATES SOME OF THE ACTIVITIES THE SECTION EMBARKS ON ARE:

STAKEHOLDER MANAGEMENT

Engaging with all relevant stakeholders, to ascertain the complexity, and experience within the contractual obligations.

COMPLIANCE MONITORING & REPORTING

Reviews and report on how SCM, service providers and the department as a whole is performing against set standards and metrics, provides insight into how policies are followed, and identifies areas of opportunity to drive value through process efficiencies, and verification of variations requested by user departments.

SUPPLIER PERFORMANCE

Regular site visits and attending progress meetings which allows for systematic management of supplier performance and building of work relationships to optimise the value for money in agreed deliverables throughout the project execution.

CHALLENGES

- The unit is not fully recognised as a functional office and often misunderstood by the rest of the organisation to its responsibility within Supplier Performance management context.
- Inadequate SCM system to synchronize reporting and enhance performance indicators e.g. Coordination of information for the generation of monthly reports on Awarded Contracts is not automatically loaded at the point of letter of award during acquisitions process, which normally cause distortions and rendering potential delays in the report generation at times.
- Information management processes and procedures across functional structures are not aligned e.g. dissemination of resolutions regarding contract variations are delayed at times.
- Project and Contract Management systems are not linked to mitigate risk of poor performance.

INTRODUCTION TO SUPPLY CHAIN MANAGEMENT UNIT

The Msunduzi Municipality's Supply Chain Management unit is a support function; it is mandated in terms Section 111 of the Municipal Finance Management act:

ORGANIZATIONAL UNITS WITHIN SUPPLY CHAIN MANAGEMENT UNIT

DEMAND AND ACQUISITION UNIT

The Demand and Acquisition function objectives is to:

- Provide for an effective system of demand management in order to ensure that the resources required to support the strategic and operational commitments of the municipality are delivered at the correct time, at the right price and at the right location, and that the quantity and quality satisfy the needs of the municipality.
- provide for an effective system of acquisition management in order to ensure -
- That goods and services are procured by the municipality or in accordance with authorised processes only;
- That expenditure on goods and services incurred in terms of an approved budget in terms of section 15 of the MFMA Act;
- That the threshold values for the different procurement processes are complied with;
- That bid documentation, evaluation and adjudication criteria, and general conditions of a contract, are in accordance with any applicable legislation; and that any Treasury guidelines

CONTRACT MANAGEMENT

In terms of section 116 (2) of the MFMA the accounting officer of a municipality must –

THESE ARE ACTIVITIES OF THE CONTRACT MANAGEMENT MONITORING SECTION:

- All contracts are monitored, by having regular sites visits and attending monthly site progress meetings.
- Monitoring of expenditure on supplies and services contract.
- Monitoring and rotating of contracts with panel of contractors to ensure equal distribution amongst the prospective suppliers.
- Compiling engagement letters to all panellists upon appointments.
- Drafting Service Level agreements (SLA)
- Verifying variation Orders on projects by Project managers and recommend to the Bid Evaluation committee.

LOGISTICS MANAGEMENT

Stores will endeavor to minimize and reduce stock holdings. This can be achieved by working closely with the Business Units in planning and execution of projects that involved procurement activities as well.

The stock count for the financial year 2020/2021 proceeded smoothly with every member of the team demonstrating their efforts and energy in achieving a well-run physical count of stock.

The other desirable target for the inventory count is to rectify and address few issues i.e.

- The material number duplication
- Doubled Storage location of material

- Identify and rectify inventory count document where material was appearing on more than one counting document.
- To sort and arrange material storage location or bin.

With the magnitude of inventory levels and volumes of material that are kept at Stores; it became evident that for a proper and successful inventory count to take place, more manpower and time needed is required. The process involved doing count even on weekends in order to meet the target; it took us approximately 14 days to finish the entire process.

The counting process flow involved the physical counting of inventory where each bin is counted and where huge variances is noticed after capturing, verification is done.

During the process, a number of issues were identified and addressed before the adjustment took place. These issues involved checking duplicates of materials, inventory that appear on more than one counting sheets, material that also appear on several inventory locations.

The regular or cycle count is a needed because the outcome of this count will yield positive results going forward, in that, the proper monitoring of inventory and evaluation of inventory will reflect the true value of inventory on hand at any given time.

FUEL

The Council has invested on the electronic fuel management system. All Council vehicles are now installed with a gadget that monitors all fuel transactions. The system is now in operation and the reports are generated using the system are as follows:

- Detailed dispense transaction (per site)
- Hourly fuel grade total (per site)
- Monthly fuel grade total (per site)
- Monthly volumes (per site)
- Dispensed transaction total (per site)
- Detailed pump attendee authorization with name
- Vehicle site extract
- Detailed pump authorization (with vehicle information)

Any suspicious transaction is brought to the attention of Internal Audit for their action.

There has been some recognition of cost reduction potential on fuel issues and fuel purchases as a result of the new fuel management system. The consumption levels have steadily decreased. The investment on the fuel management system will provide more accurate cost controls and reporting. Reduce errors and human intervention when generating reports. Also help by providing real time fuel information as and when required. In the future the departments will be provided and advised on the litres each vehicle is consuming and frequency of refuels.

The fuel transactional information contained in the Fuel Master report is readable and can be modified. If this report is tampered with it could result in incorrect and incomplete fuel transactions being uploaded onto the SAP system.

The process of addressing the finding proceeded and finished on the 31 August 2020. There was a obvious delay in addressing the finding as a result of COVID-19. The SAP OTI Fuel Master Integration process was designed to replace the previous transacting process where fuel issues was initiated by a physical file upload of transactions into SAP. This process was manual and prone to errors due to perceived 'human intervention' as the file was not encrypted. The new process automates the fetching of data files, directly in the background, from external system into SAP.

Once the file is on SAP, a custom table is updated with detailed individual transaction records and goods issues are created, all at one go. The upload and creation program returns or issues a results response or the creation log showing the successful and unsuccessful transactions. All these details are recorded on the relevant custom table on SAP and can be retrieved from daily reports of the job monitoring.

The procedure that is developed to allow an automatic update in SAP for all goods issues done in the OTI Fuel Master system without any human intervention. This procedure highlights the design of the solution as well as the processes and activities that must be followed in order to automatically create goods issues in SAP MM using the source data files stored in the external OTI system.

The scope of this procedure covers:

- Overall Solution Design
- Function Solution Design
- Technical Solution Design
- Goods Issue Processing and
- Monitoring of Processing Job.

BELOW INFORMATION WAS DRAWN FROM THE NEW FUEL MANAGEMENT SYSTEM

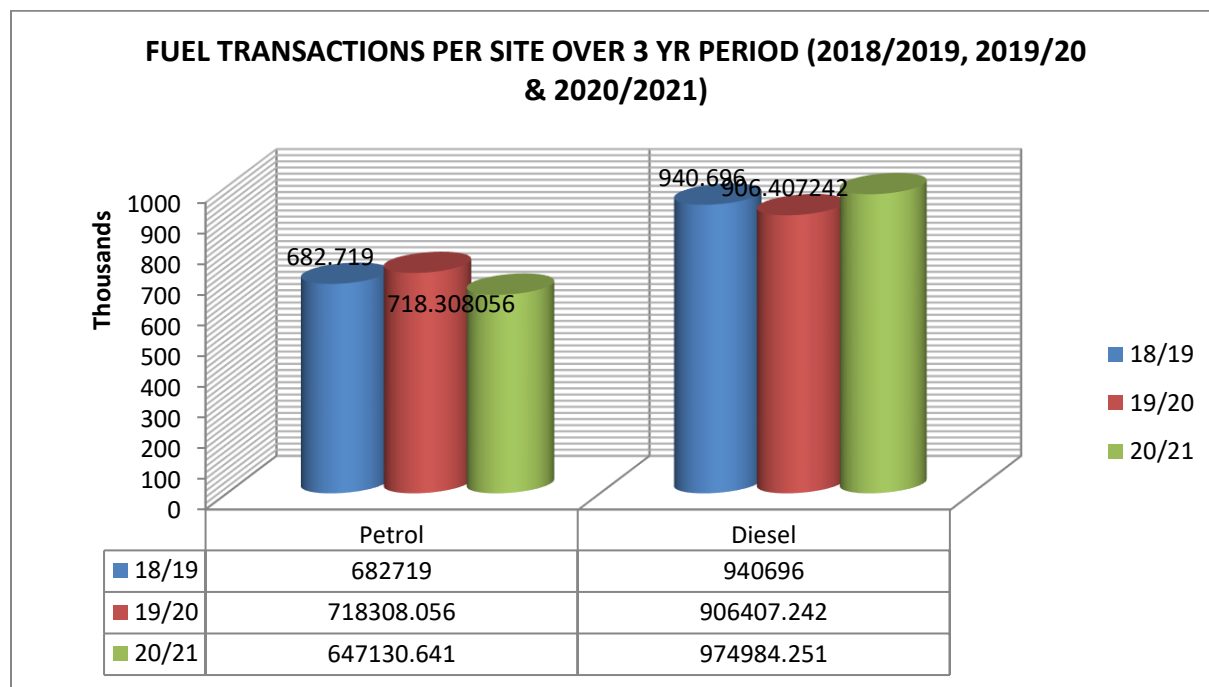


FIG 2: FUEL BUDGET VS ACTUAL YR ON YR

<u>Fin Yr</u>	<u>2017-2018</u>	<u>2018-2019</u>	<u>2019-2020</u>	<u>2020-2021</u>
Purchases	R161 157 875,99	R83 371 229,58	R82 477 972,32	R117 405 614,27
Stores Consumptions	143 910 815,22	106 874 600,42	75 219 759,50	110 340 025,34

SERVICE STATISTICS FOR SUPPLY CHAIN MANAGEMENT

20/21 financial year was a negative outcome, of R2,79 Million, this was as a result of budget cuts; For the financial year 19/20 there was positive outcome and that we managed to have savings on the budget of R1,57 Million. Financial year 18/19 the actual expenditure against the budget was decreased by 6,47% See illustration in FIG2 below

LONG TERM CONTRACTS AND PUBLIC PRIVATE PARTNERSHIPS

PUBLIC PRIVATE PARTNERSHIPS ENTERED INTO 2020/2021 FY

PUBLIC PRIVATE PARTNERSHIPS ENTERED INTO 2020/2021					
R' 000					
Name And Description Of Project	Name Of Partner(S)	Initiation Date	Expiry Date	Project Manager	Value 2020/2021
No Public Private Partnerships entered into in the 2020/2021 Financial Year					

SUPPLY CHAIN MANAGEMENT CHECKLIST

IMPLEMENTATION CHECKLIST	
Supply Chain Management	
Municipality Details	Answers
Name of Municipality	KZ225 Msunduzi
Contact Person (name):	Dudu Gambu
Email address:	dudu.gambu@msunduzi.gov.za
Phone:	033 392 2597
Name of the Head of the SCM Unit (if different to above):	Dudu Ndlovu- Gambu

Question	Answer	Comment on progress	Date for completion	Official(s) responsible	
1	Has the Council adopted a SCM policy in terms of SCM regulation 3?	Yes	N/A	N/A	SM:SCM
2	How many staff are employed by the SCM Unit? (show full time staff equivalent, a person shared with another function or working part-time on SCM is shown as a fraction)	60	N/A	N/A	N/A
2.1	How many positions are unfilled, ie waiting for an appointment? (full time equivalent)	16	16 post still vacant the effort of filling them is being undertaken by HR	2020/21	GM:CS
2.2	Has a job description been developed for	Yes	N/A	N/A	GM:CS

Question		Answer	Comment on progress	Date for completion	Official(s) responsible	
	each position within the SCM Unit?					
3	Has a detailed implementation plan for SCM been developed?	Yes	N/A	N/A	Head: SCM	
	3.1 If "YES", is progress regularly measured against the implementation plan?	Yes	Progress on the Procurement Plan is updated monthly	N/A	Head: SCM	
4	Is a report on the implementation of the SCM Policy provided to the mayor (within 10 days of the end of each quarter (reg 6(3)))	Yes	N/A	N/A	Head: SCM	
5	<i>SCM Processes:</i>					
	5.1	Is the necessary needs assessment undertaken before each acquisition?	Yes	N/A	N/A	Manager Demand and acquisition
	5.2	Are preferential policy objectives identified to be met through each contract?	Yes	N/A	N/A	Manager: Contract Management
	5.3	Is the performance of vendors regularly monitored?	Yes	Monthly assessments are done by the monitoring officer and reported to Council on a quarterly basis	N/A	Monitoring officer
	5.4	Are SCM processes independently monitored to ensure the SCM policy is followed and desired objectives achieved?	Yes	N/A	N/A	IA
6	Are the threshold values contained in the SCM Policy aligned with the values stipulated in regulation 12?	Yes	N/A	N/A	SM:SCM	
	6.1 If "NO" are the values contained in the SCM Policy higher than that stipulated in regulation 12?	NO	N/A	N/A	SM:SCM	
7	Do municipal bid documents comply with MFMA Circular No 25?	Yes	N/A	N/A	SCM Practitioners	
8	Do municipal bid documents include evaluation criteria for use by the bid evaluation and adjudication committees?	Yes	N/A	N/A	Manager: Contract Management	

Question		Answer	Comment on progress	Date for completion	Official(s) responsible	
9	<i>Regulation 46 requires the SCM Policy to establish a code of conduct.</i>					
	9.1	Is the Code of Conduct issued by NT in MFMA Circular No 22 utilized?	Yes	N/A	N/A	SM: SCM
	9.2	Are measures in place to ensure all SCM practitioners are aware of the SCM code of conduct?	Yes	All practitioners have signed the code of conduct.	N/A	SM: SCM
10	Are all delegations in terms of SCM roles and responsibilities in writing (other than delegations contained in the SCM Policy)?		Yes	SCM Delegations adopted by Council	31/10/2014	SM:SCM
11	Prior to making an award above R30 000 the municipality or municipal entity must check with SARS whether that persons tax matters are in order (reg 43 and MFMA Circular No 29). Is this being complied with?		Yes	N/A	N/A	SCM Practitioners
12	<i>Please confirm if records are kept of the following:</i>					
	12.1	Petty cash purchases?	Yes	Creditors department are the custodian of these records	N/A	Creditors Manager
	12.2	Written or verbal quotations received and awards made?	Yes	Creditors department are the custodian of these records	N/A	Creditors Manager
	12.3	Tenders and all other bids received and awards made?	Yes	Tenders records are kept at SCM offices	N/A	Manager Demand and acquisition
13	Are all invitations for bids above R30 000 advertised for at least 7 days on the website and official notice board? (reg 18(a))		Yes	N/A	N/A	SCM Practitioners
	13.1	In addition, are all invitations for competitive bids publically advertised in newspapers commonly circulating locally? (reg 22(1))	Yes	N/A	N/A	SCM Practitioners
14	Is the "list of accredited prospective providers" required by regulation 14 updated at least quarterly?		Yes	N/A	N/A	Manager: Demand and acquisition

Question		Answer	Comment on progress	Date for completion	Official(s) responsible
15	Is there a database established to record redundant and obsolete store items?	Yes	N/A	N/A	Logistics Manager
16	Are debriefing sessions held with unsuccessful bidders?	No	Written regret letters are sent and on request meetings are held.	N/A	SCM Practitioners
17	<i>Training SCM practitioners</i>				
17.1	Has a training strategy for SCM practitioners been developed?	Yes	N/A	N/A	HR
17.2	What is the 20/21 budget for the training of SCM practitioners?	no	<i>No budget</i>	N/A	SM:SCM
17.3	Has the municipality or entity used an outsourced training provider for SCM, other than SAMDI?	no	N/A	N/A	SM:SCM
17.4	If "yes" to 17.3 please list below the names of training provider(s) used to date (<i>expand this box if necessary</i>) . . .		N/A	N/A	SM:SCM
17.5	Indicate the number of officials who have attended the SCM training conducted by SAMDI?		<i>None</i>	N/A	N/A
17.6	Indicate the number of officials who have attended SCM training conducted by training providers other than SAMDI?		<i>None</i>	N/A	N/A
18	Has a SCM procedure manual been developed to assist officials implement the SCM policy, consistent with the MFMA, regulations, circulars and the Accounting Officers Guidelines?	Yes	N/A	N/A	SM:SCM
19	<i>Bid Committee membership:</i>				
19.1	Does the Bid Specification Committee membership comply with regulation 27?	Yes	N/A	N/A	SM:SCM
19.2	Does the Bid Evaluation Committee membership comply with regulation 28?	Yes	N/A	N/A	SM:SCM

Question		Answer	Comment on progress	Date for completion	Official(s) responsible	
	19.3	Does the Bid Adjudication Committee membership comply with regulation 29?	Yes	N/A	N/A	SM:SCM
	19.4	Has regulation 29(4), which stipulates that a member of a bid evaluation committee or an advisor may not be a member of a bid adjudication committee, been breached?	No	N/A	N/A	SM:SCM
20	<i>Procurement of IT related goods and services:</i>					
	20.1	Are you aware that SITA can assist with the procurement of IT related goods and services (regulation 31)	Yes	N/A	N/A	SM:ICT
	20.2	Have you utilised this facility before?	Yes	N/A	N/A	SM:ICT
21	Does the SCM Policy provide for an effective system of risk management for the identification, consideration and avoidance of potential risks in the SCM system? (reg 41(1))		Yes	N/A	N/A	SM:SCM

PERFORMANCE MANAGEMENT OF CONTRACTS

Regular site visits and attending progress meetings which allows for systematic management of supplier performance and building of work relationships to optimise the value for money in agreed deliverables throughout the project execution. Monthly and quarterly reports are submitted at OMC, SMC and Full Council.

EMPLOYEE INFORMATION – SUPPLY CHAIN MANAGEMENT UNIT

EMPLOYEE: SUPPLY CHAIN MANAGEMENT					
Job Level	2019/2020	2020/2021			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents No.	Vacancies (as a % of total posts) %
T01–T03	8	10	8	2	20
T04-T08	15	29	13	16	55
T09–T13	31	38	31	7	18
T14-T18	2	3	2	1	33
T19-T22	1	1	1	0	0
T23-T25	0	0	0	0	0
Total	57	81	55	26	32

FINANCIAL PERFORMANCE – SUPPLY CHAIN MANAGEMENT UNIT

FINANCIAL PERFORMANCE 2020/2021: SUPPLY CHAIN MANAGEMENT					
					R'000
Details	2019/2020	2020/2021			
	Actual	Original Budget	Adjustment Budget	Actual	Variances to Budget%
Total Operational Revenue (excl. tariffs)	80	280	280	110	-60.71%
Expenditure:					
Employees	23,457	32,063	29,367	24,393	-16.94%
Repairs and Maintenance	74	229	229	90	-60.70%
Other	32,075	28,730	37,849	36,145	-4.50%
Total Operational Expenditure	55,606	61,022	67,445	60,628	-10.11%
Net operational (Service) Expenditure	55,526	60,742	67,165	60,518	-9.90%
Net expenditure to be consistent with summary table T5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Adjustment Budget over the Adjustment Budget					

CAPITAL EXPENDITURE – SUPPLY CHAIN MANAGEMENT UNIT

CAPITAL EXPENDITURE: FINANCIAL SERVICES					
					R'000
Details	2020/2021				
	Budget	Adjustment Budget	Actual Expenditure	Variances to Budget %	Total Project Value
Total All	0	535	281	-47.48%	281
Computer Equipment	0	35	24	-31.43%	24
Fuel Management System	0	300	257	-14.33%	257
Security Cameras Stores	0	200	0	-100.00%	0

SUPPLY CHAIN MANAGEMENT UNIT POLICY OBJECTIVES TAKEN FROM IDP

SUB UNIT: SUPPLY CHAIN MANAGEMENT														
OP REFERENCE	PERFORMANCE REPORTING 2019/2020 FY - ANNUAL PROGRESS REPORT			OP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	BASELINE / STATUS QUO	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL 2019/2020 FY PROGRESS REPORT							ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)					ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
SCM 01	Supply chain management Policy 2019/20 reviewed and submitted to SMC for approval by Council by the 29th of February 2020	Supply chain management Policy 2019/20 reviewed and submitted to SMC for approval by Council by the 29th of February 2020	1 (69% & below)	SCM 01	NKPA 4 - MUNICIPAL FINANCIAL VIABILITY	Supply Chain Management	SCM Policy 19/20 approved by SMC on 31/3/20	Supply chain management Policy 2021/2022 reviewed and submitted to SMC for approval by Council by the 31st of March 2021	Supply chain management Policy 2021/2022 reviewed and submitted to SMC for approval by Council by the 30th of April 2021	2 (70% - 99%)	Supply chain management Policy 2021/2022 was submitted to SMC by the 30th of April 2021	N/A	N/A	SMC
	N/A	N/A	N/A					N/A	N/A	N/A	N/A	N/A	N/A	N/A
SCM 02	2020/2021 financial year Procurement Plan prepared and submitted to SMC by the 30th of June 2020	2020/2021 financial year Procurement Plan not prepared and submitted to SMC by the 30th of June 2020	1 (69% & below)	SCM 02	NKPA 4 - MUNICIPAL FINANCIAL VIABILITY	Supply Chain Management	Procurement plan circulated to Business unit, there are delays in terms of response	Procurement Plan for the 2021/2022 financial year prepared and submitted to SMC for approval by Council by the 30th of June 2021	Procurement Plan for the 2021/2022 financial year prepared and submitted to SMC for approval by Council by the 30th of June 2021	3 (100% - 129%)	N/A	N/A	N/A	SMC
	N/A	N/A	N/A					N/A	N/A	N/A	N/A	N/A	N/A	N/A
SCM 03	4 x quarterly reports produced and submitted to SMC on the Implementation of the 2019/20 FY approved procurement plan by the 30th of June 2020	4 x quarterly reports produced and submitted to SMC on the Implementation of the 2019/20 FY approved procurement plan by the 30th of June 2020	3 (100% - 129%)	SCM 03	NKPA 4 - MUNICIPAL FINANCIAL VIABILITY	Supply Chain Management	4 x quarterly reports produced and submitted to SMC on the Implementation of the 19/20FY approved procurement plan by the 30th of June 2020	4 x quarterly progress reports on the Implementation of the 2020/2021 approved procurement plan produced and submitted to SMC by the 30th of June 2021	4 x quarterly progress reports on the Implementation of the 2020/2021 approved procurement plan produced and submitted to SMC by the 30th of June 2021	3 (100% - 129%)	N/A	N/A	N/A	SMC
	N/A	N/A	N/A					N/A	N/A	N/A	N/A	N/A	N/A	N/A

SUB UNIT: SUPPLY CHAIN MANAGEMENT

OP REFERENCE	PERFORMANCE REPORTING 2019/2020 FY - ANNUAL PROGRESS REPORT			OP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	BASELINE / STATUS QUO	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL 2019/2020 FY PROGRESS REPORT							ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)					ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
SCM 04	12 x reports on Tenders awarded, deviations and inventory management for the 19/20 FY prepared and submitted towards a consolidated Budget and Treasury Business Unit monthly report to SMC by the 30th of June 2020	12 x reports on Tenders awarded, deviations and inventory management for the 19/20 FY prepared and submitted towards a consolidated Budget and Treasury Business Unit monthly report to SMC by the 30th of June 2020	1 (69% & below)	SCM 04	NKPA 4 - MUNICIPAL FINANCIAL VIABILITY	Supply Chain Management	12 x Tenders awarded/ deviations and inventory management reports prepared and submitted towards a consolidated Financial services monthly report to Operational Management Committee by the 30th of June 2020	12 x Monthly progress reports on Tenders awarded, deviations and inventory management for the 20/21 FY prepared and submitted to SMC by the 30th of June 2021	12 x Monthly progress reports on Tenders awarded, deviations and inventory management for the 20/21 FY prepared and submitted to SMC by the 30th of June 2021	3 (100% - 129%)	N/A	N/A	N/A	SMC
	N/A	N/A	N/A					N/A	N/A	N/A	N/A	N/A	N/A	

COMMENT ON THE PERFORMANCE OF SUPPLY CHAIN MANAGEMENT UNIT OVERALL

The top priority projects that are allocated budget: fuel management, fencing of stores, partitioning of SCM offices and Furniture: Fencing of stores, partitioning could be done and Furniture could be purchased due to cost cutting measures.

The Fuel Management System is the system that helps to oversee the consumption of fuel and flag any variance from the norm for management investigate;

5.8. ASSETS & LIABILITIES MANAGEMENT UNIT

INTRODUCTION TO ASSETS & LIABILITIES MANAGEMENT UNIT

The Assets and Liabilities unit is responsible for Assets, Fleet Management, Insurance Management, Loss Control and Real Estate and Valuations.

ORGANIZATIONAL UNITS WITHIN ASSETS & LIABILITIES MANAGEMENT UNIT

ASSETS

The Assets Management Unit is responsible for the management of the municipality's assets, ensuring that the municipality has and maintains a management, accounting and information system that accounts for the assets of the municipality

FLEET MANAGEMENT

Strategic planning: continuous evaluation of fleet management within the Municipality as well as external organisations in order to formulate plans to improve the efficiency, effectiveness and economy of fleet assets available to the Municipality in the short, medium and long term Develop policies and procedures for the economic acquisition, operation, disposal and administration of the fleet.

Acquisition: Recommendation regarding the acquisition of Fleet assets after evaluating the requirements of the Municipality, based on the motivations and feasibility studies prepared by Msunduzi Fleet Management Unit. This includes the replacement of uneconomical fleet assets, the purchase of additional fleet assets and establishing or entering into lease or hiring contracts.

Ensure compliance of vehicles in terms of Road Traffic Act, Road Transport Quality System;

Ensuring that the fleet is properly registered and insured at all times; and

Withdraw fleet assets from service when they approach the end of their functional life and to transfer / replace and/ or scrap the fleet asset concerned to the best advantage to the fleet user and the Municipality.

INSURANCE MANAGEMENT

Insurance Management Is aimed at ensuring that all assets, Councillors, employees and third parties are insured economically and adequately at all times. In terms of the approved Insurance policy and procedures staff manages litigated and non-litigated claims both internally and externally (third party). Claims are settled either through the internal insurance Fund or external insurance cover depending on the nature and value of the claim as outlined in the insurance policy and external insurance cover procured. Tracking and recording of claims is done through a loss register.

LOSS CONTROL

Loss Control: Loss control seeks to reduce the possibility that a loss will occur and reduce the severity of those that do occur. Its aim is to reduce claims, through loss management information (policy and procedure) and services.

***NB:** Loss control at the moment provides admin support to insurance due to the unit not been fully established therefore service objectives are as per insurance management.

REAL ESTATE & VALUATIONS

The Real Estate and Valuations Unit is responsible for the compilation of the valuation roll and supplementary valuations of all registered properties that fall within the boundaries of the Municipality, in line with the Municipal property rates Act. The unit is also responsible for facilitating the valuation of properties for acquisition and disposal purposes. The Real Estate section also administers and manages lease agreements for municipal owned properties. In terms of the Municipal Property Rates Act, The Municipality is required to compile a General Valuation roll at least once in Five years and also maintain the roll through supplementary valuations which must be published at least once a year.

SERVICE STATISTICS FOR ASSETS & LIABILITIES MANAGEMENT UNIT

SERVICE OBJECTIVE	TARGET	MET /NOT MET	CHALLENGES
Valuation of investment property	Yearly	Met	None
Conduct annual asset verification	Yearly	Met	None
Monthly assets reconciliations	Yearly	Met	None
New Plant and Vehicles	Yearly	Met	None
Branding of Council vehicles and plant	23	43	None
Annual review of policies	Yearly - February	Met	None
Create , maintain loss (claims)register	Daily	Met	None
Adequate and cost effective Insurance Cover	Yearly	Met	None
Process and settle insurance claims timeously	Within 30 days of receiving claims	Not met	Due to dependencies on department for incident reports, legal for legal opinion, SCM for procurement and fleet for vehicle info and the delays on getting the necessary information the target of 30 days on most claims could not be met.
Compile supplementary valuation roll 01	Yearly	Met	High vacancy rate

EMPLOYEE INFORMATION – ASSETS & LIABILITIES MANAGEMENT UNIT

EMPLOYEE: ASSETS & LIABILITY MANAGEMENT					
ASSETS, FLEET MANAGEMENT, INSURANCE MANAGEMENT, LOSS CONTROL, REAL ESTATE & VALUATIONS					
Job Level	2019/2020	2020/2021			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents No.)	Vacancies (as a % of total posts) %
T01–T03	3	34	1	33	97
T04-T08	32	104	30	74	71
T09–T13	15	186	15	171	92
T14-T18	3	37	3	34	92
T19-T22	1	2	1	1	50
T23-T25	0	0	0	0	0
Total	54	363	50	313	86

FINANCIAL PERFORMANCE – ASSETS & LIABILITIES MANAGEMENT UNIT

FINANCIAL PERFORMANCE 2020/2021: FLEET MANAGEMENT					R'000
ASSETS, FLEET MANAGEMENT, INSURANCE MANAGEMENT, LOSS CONTROL, REAL ESTATE & VALUATIONS					
Details	2019/2020	2020/2021			
	Actual	Original Budget	Adjustment Budget	Actual	Variances to Budget%
Total Operational Revenue (excl. tariffs)	324	-	-	50	0.00%
Expenditure:					
Employees	22,823	26,789	28,340	23,634	-16.61%
Repairs and Maintenance	1,418	2,255	2,408	1,851	-23.13%
Other	31,324	92,070	54,093	35,029	-35.24%
Total Operational Expenditure	55,565	121,114	84,841	60,514	-28.67%
Net operational (Service) Expenditure	55,241	121,114	84,841	60,464	-28.73%
Variances are calculated as follows: Actual expenditure – Adjusted budget divided by the Adjusted budget x 100.					

CAPITAL EXPENDITURE – ASSETS & LIABILITIES MANAGEMENT UNIT

CAPITAL EXPENDITURE 2020/2021: ASSETS & LABILITY MANAGEMENT					
					R'000
ASSETS, FLEET MANAGEMENT, INSURANCE MANAGEMENT, LOSS CONTROL, REAL ESTATE & VALUATIONS					
Details	2020/2021				
	Budget	Adjustment Budget	Actual Expenditure	Variances to Budget %	Total Project Value
Total All	13,500	13,500	5,397	-60.02%	
Plant and Equipment	-	3,200	-	-100.00%	
Transport Assets	13,500	10,300	5,397	-47.60%	5397

ASSETS & LIABILITIES MANAGEMENT UNIT POLICY OBJECTIVES TAKEN FROM IDP

SUB UNIT: ASSETS & LIABILITIES MANAGEMENT (FLEET, VALUATIONS & REAL ESTATE, ASSETS, LOSS CONTROL & INSURANCE)														
OP REFERENCE	PERFORMANCE REPORTING 2019/2020 FY - ANNUAL PROGRESS REPORT			OP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	BASELINE / STATUS QUO	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL 2019/2020 FY PROGRESS REPORT							ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)					ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
A & LMO 1	Asset management Policy reviewed and submitted to SMC for approval by Council by the 31st of March 2020	Asset management Policy reviewed and submitted to SMC for approval by Council by the 31st of March 2020	3 (100% - 129%)	A & LMO 1	NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT	Increase institutional capacity and promote transformation	Asset management Policy reviewed and submitted to SMC for approval by Council by the 31st of March 2020	Asset Management Policy for the 2021/2022 Financial Year reviewed and submitted to SMC for approval by Council by the 31st of March 2021	Asset Management Policy for the 2021/2022 Financial Year reviewed and submitted to SMC for approval by Council by the 31st of March 2021	3 (100% - 129%)	N/A	N/A	N/A	SMC resolution and approved policy.
	N/A	N/A	N/A					N/A	N/A	N/A	N/A	N/A	N/A	
A & LMO 2	1 x report prepared and submitted to SMC on the review of all Council assets' useful lives by the 30th of June 2020	1 x report prepared and submitted to SMC on the review of all Council assets' useful lives by the 30th of June 2020	3 (100% - 129%)	A & LMO 2	NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT	Increase institutional capacity and promote transformation	1 x report prepared and submitted to SMC on the 100% review of all Council assets' useful lives by the 30th of June 2020.	1 x report on the review of all Council assets useful lives for the 20/21 FY prepared and submitted to SMC by the 30th of June 2021	1 x report on the review of all Council assets useful lives for the 20/21 FY prepared and submitted to SMC by the 30th of June 2021	3 (100% - 129%)	N/A	N/A	N/A	SMC resolution and report on the review of useful lives
	N/A	N/A	N/A					N/A	N/A	N/A	N/A	N/A	N/A	
A & LMO 3	1 x report prepared and submitted to SMC on the	1 x report prepared and submitted to SMC on the	3 (100% - 129%)	A & LMO 3	NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT	Increase institutional capacity and promote transformation	1 x report prepared and submitted to SMC on the 100%	1 x progress report on the valuation of all Council Investment	1 x report on the valuation of all Council Investment Property	3 (100% - 129%)	N/A	N/A	N/A	SMC resolution and report on the valuation of

SUB UNIT: ASSETS & LIABILITIES MANAGEMENT (FLEET, VALUATIONS & REAL ESTATE, ASSETS, LOSS CONTROL & INSURANCE)

OP REFERENCE	PERFORMANCE REPORTING 2019/2020 FY - ANNUAL PROGRESS REPORT			OP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	BASELINE / STATUS QUO	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL 2019/2020 FY PROGRESS REPORT							ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)					ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
	valuation of all Council Investment Property Assets at year end by the 30th of June 2020	valuation of all Council Investment Property Assets at year end by the 30th of June 2020					valuation of all Council Investment Property Assets at year end by the 30th of June 2020	Property Assets at year end for the 20/21 FY prepared and submitted to SMC by the 30th of June 2021	Assets at year end for the 20/21 FY prepared and submitted to SMC by the 30th of June 2021					Investment properties .
	N/A	N/A	N/A				N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
A & LMO 4	1 x report prepared and submitted to SMC on the assessment of the cost to rehabilitate the Land fill site at year end by the 30th of June 2020	0 x report prepared and submitted to SMC on the assessment of the cost to rehabilitate the Land fill site at year end by the 30th of June 2020	1 (69% & below)	A & LMO 4	NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT	Increase institutional capacity and promote transformation	1 x report prepared and submitted to SMC on the 100% assessment of the cost to rehabilitate the Land fill site at year end by the 30th of June 2020	1 x report on the assessment of the cost to rehabilitate the Land fill site prepared and submitted to SMC for the 20/21 FY by the 30th of June 2021	0 x report on the assessment of the cost to rehabilitate the Land fill site prepared and submitted to SMC for the 20/21 FY by the 30th of June 2021	1 (69% & below)	The Community Services department did not appoint the service provider to do the assessment of the cost to rehabilitate the site on time and therefore the report was not obtained at year end.	The Community Services department is in the process of appointing a service provider in line with the SCM procedures .	31-Jul-21	SMC resolution and report on the Landfill site assessment of cost to rehabilitate the site.

COMMENT ON THE PERFORMANCE OF ASSETS & LIABILITIES MANAGEMENT UNIT OVERALL

The Asset Management unit in the 2020/2021 was able to meet most of the targets in terms of the Operational plan, the Problem was in relation to a report on the assessment of the cost to rehabilitate the Land fill site. This could not be done as the Community Services department did not appoint the service provider to do the assessment of the cost to rehabilitate the site on time and therefore the report was not obtained at year-end.

5.9. FINANCE GOVERNANCE & PERFORMANCE MANAGEMENT UNIT

INTRODUCTION TO FINANCE GOVERNANCE & PERFORMANCE MANAGEMENT UNIT

The Finance Governance & Performance Management unit is made up of two sub units namely the Finance & Cash Management unit as well as the Financial Performance unit.

FINANCE AND CASH MANAGEMENT

- Managing and Monitoring the administration of the Municipality's bank accounts, enforcing compliance with sections 7, 8 and 11 of the MFMA.
- Preparation of a quarterly consolidated report of all withdrawals made in terms of section 11(1)(b) to (j) of the MFMA from the Municipality's bank accounts.
- Managing cash and investment management in terms of section 13 of MFMA.
- Interacting with Financial Institutions on the status of markets against returns on short term investments and, allocating funds to specific call accounts.
- Updating and maintaining all information, transactional records and investment documentation and registers.
- Managing long term loans in terms of section 46 of MFMA

FINANCIAL PERFORMANCE

- Preparation of Annual Financial Statements and Consolidated Financial Statements and ensure that they are submitted to the Auditor General as legislated
- Developing, Co-ordinate and monitor Audit action plan in terms of section 131 of MFMA.
- Managing and Co-ordinating and guiding specific deadline and financial reporting sequences associated with audit and legal compliance exercises, checking and verifying information / records submitted satisfies the scope of requirements
- Managing and monitoring accounting procedures related to General Ledger reconciliations, posting, updating and adjustment of entries

CHALLENGES

The Finance Governance and Performance Management Section has vacancy rate of 52% as 12 posts are vacant from the total posts of 23.

EMPLOYEE INFORMATION – FINANCE GOVERNANCE & PERFORMANCE MANAGEMENT UNIT

EMPLOYEE: FINANCE GOVERNANCE & PERFORMANCE					
FINANCE AND CASH MANAGEMENT & FINANCIAL PERFORMANCE					
Job Level	2019/2020	2020/2021			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents No.)	Vacancies (as a % of total posts) %
T01–T03	0	0	0	0	0
T04-T08	1	13	1	12	92
T09–T13	6	6	6	0	0
T14-T18	2	3	3	0	0
T19-T22	1	1	1	0	0
T23-T25	0	0	0	0	0
Total	10	23	11	12	52

FINANCIAL PERFORMANCE – FINANCE GOVERNANCE & PERFORMANCE MANAGEMENT UNIT

FINANCE AND CASH MANAGEMENT & FINANCIAL PERFORMANCE					
Details	2019/2020	2020/2021			Variances to Budget%
	Actual	Original Budget	Adjustment Budget	Actual	
Total Operational Revenue (excl. tariffs)	2,038	15,260	15,260	693	-95.46%
Expenditure:					
Employees	17,939	40,634	46,885	41,550	-11.38%
Repairs and Maintenance	-	906	1,177	1,046	0.00%
Other	42,248	37,002	39,792	33,782	-15.10%
Total Operational Expenditure	60,187	78,542	87,854	76,378	-13.06%
Net operational (Service) Expenditure	58,149	63,282	72,594	75,685	4.26%

CAPITAL EXPENDITURE – FINANCE GOVERNANCE & PERFORMANCE MANAGEMENT UNIT

CAPITAL EXPENDITURE 2020/2021: FINANCE GOVERNANCE & PERFORMANCE					
Details	2020/2021				
	Budget	Adjustment Budget	Actual Expenditure	Variances to Budget %	Total Project Value
Total All	5,000	18,364	2,384	-87.02%	
Financial System	0	11,500	0	-100.00%	+90000
Plant and Equipment	0	265	148	-44.15%	148
Renovation Offices	-	1,200	1,188	-1.00%	1188
Water Metering	3,000	2,520	-	-100.00%	
Electricity Metering	2,000	1,000	-	-100.00%	
Computer Equipment	-	1,879	1,048	-44.23%	1048
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate) Variances are calculated as follows: Actual expenditure – Adjusted budget divided by the Adjusted budget x 100.					

FINANCE GOVERNANCE & PERFORMANCE MANAGEMENT UNIT POLICY OBJECTIVES TAKEN FROM IDP

SUB UNIT: FINANCE GOVERNANCE & PERFORMANCE MANAGEMENT														
OP REFERENCE	PERFORMANCE REPORTING 2019/2020 FY - ANNUAL PROGRESS REPORT			OP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	BASELINE / STATUS QUO	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL 2019/2020 FY PROGRESS REPORT							ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)					ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
FG & PM 01	Msunduzi Municipality Annual financial statements for the 18/19 FY prepared and submitted to the AG by the 31st of August 2019	Msunduzi Municipality Annual financial statements for the 18/19 FY prepared and submitted to the AG by the 31st of August 2019	3 (100% - 129%)	FG & PM 01	NKPA 4 - FINANCIAL VIABILITY & FINANCIAL MANAGEMENT	Financial reporting	12 x Monthly Cash flow reports prepared and submitted to SMC by the 15th of July 2020	12 x Monthly Cash flow reports for the 20/21 FY prepared and submitted to SMC by the 30th of June 2021	12 x Monthly Cash flow reports for the 20/21 FY prepared and submitted to SMC by the 30th of June 2021	3 (100% - 129%)	N/A	N/A	N/A	SMC Report
	N/A	N/A	N/A					N/A	N/A	N/A	N/A	N/A	N/A	
FG & PM 02	Msunduzi Municipality Consolidated Annual financial statements for the 18/19 FY prepared and submitted to the AG by the 30th of September 2019	Msunduzi Municipality Consolidated Annual financial statements for the 18/19 FY prepared and submitted to the AG by the 30th of September 2019	3 (100% - 129%)	FG & PM 02	NKPA 4 - FINANCIAL VIABILITY & FINANCIAL MANAGEMENT	Financial reporting	12 x Monthly VAT returns for the 19/20 FY prepared and submitted to SARS	12 X Monthly VAT returns reports for the 20/21 FY prepared and submitted to SARS by the 31st of July 2021	12 X Monthly VAT returns reports for the 20/21 FY prepared and submitted to SARS by the 31st of July 2021	3 (100% - 129%)	N/A	N/A	N/A	VAT Report
	N/A	N/A	N/A					N/A	N/A	N/A	N/A	N/A	N/A	N/A
FG & PM 03	Interim financial statements for the 19/20 FY prepared and submitted to internal audit by the	Interim financial statements for the 19/20 FY prepared and submitted to internal audit by the	3 (100% - 129%)	FG & PM 03	NKPA 4 - FINANCIAL VIABILITY & FINANCIAL MANAGEMENT	Financial reporting	12 x Monthly loans register reports for the 19/20 FY prepared and	12 x Monthly loans register reports for the 20/21 FY prepared and submitted to SMC by	12 x Monthly loans register reports for the 20/21 FY prepared and submitted to SMC by	3 (100% - 129%)	N/A	N/A	N/A	SMC Report

SUB UNIT: FINANCE GOVERNANCE & PERFORMANCE MANAGEMENT

OP REFERENCE	PERFORMANCE REPORTING 2019/2020 FY - ANNUAL PROGRESS REPORT			OP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	BASELINE / STATUS QUO	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL 2019/2020 FY PROGRESS REPORT							ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)					ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
	31st of March 2020	31st of March 2020					submitted to SMC	the 30th of June 2021	the 30th of June 2021					
	N/A	N/A	N/A					N/A	N/A	N/A	N/A	N/A	N/A	N/A
FG & PM 04	12 x Monthly Cash flow reports for the 19 / 20 FY prepared and submitted to SMC by the 30th of June 2020	12 x Monthly Cash flow reports for the 19 / 20 FY prepared and submitted to SMC by the 30th of June 2020	3 (100% - 129%)	FG & PM 04	NKPA 4 - FINANCIAL VIABILITY & FINANCIAL MANAGEMENT	Financial reporting	N/A	1 x reviewed financial delegations report prepared and submitted to SMC by 31st of May 2021	1 x reviewed financial delegations report prepared and submitted to SMC by 31st of May 2021	3 (100% - 129%)	N/A	N/A	N/A	SMC Report

COMMENT ON THE PERFORMANCE OF FINANCE GOVERNANCE & PERFORMANCE MANAGEMENT UNIT OVERALL

The Finance Governance and Performance Management section has performed satisfactory during the 2020/2021 financial year as most of the targets were met in line with the operational plan of the section. All deadlines in terms of financial reporting legislative framework were met.

COMPONENT F: CITY MANAGERS OFFICE

This component includes: Internal Audit, Strategic Planning, Political Support, Network (IRPTN) and Office of the City Manager.

6. CITY MANAGERS OFFICE

6.1 INTERNAL AUDIT

INTRODUCTION TO INTERNAL AUDIT

The primary objective is to provide an independent and objective assurance and consulting activity services designed to add value and improve Msunduzi Municipality administration operations through a systematic, disciplined approach to evaluate and improve the effectiveness of the system of internal control, risk management and governance processes.

The definition of internal auditing has many facets that, if unpacked, gives a very good understanding of what an internal auditor is expected to do.

Internal audit as a philosophy is a sounding board to management and designed to apprise and advise the Council, Accounting Officer and management on governance, risk management and internal controls processes. This affirms the attitude of the internal auditor's role in internal audit activity that by its nature, Internal Audit Unit is a governance structure which facilitates improvement on service delivery vehicle by reviewing the design and effectiveness of the system of internal controls around the core mandate and support functions of the municipality. Its role is critical in promoting and enhancing control environment through auditing and recommending solutions to management.

The King III report on Cooperative Governance accepts the need for the Audit Committee in the pursuit of good governance. It aligns the function of internal and external audit directly with the oversight by the Audit Committee. There are oversight committees of Council who are role-players to advocate for the combined assurance model. The Audit Committee's primary focus is on financial reporting, risk management, governance, performance information and system of internal control space which the universal organization space.

We also need to create balance between assurance function and consulting activity based on risk assessment exercise and report of the Auditor General. The areas with high risks with strong controls in terms of their design against the risks exposures as per the assessment by management. The reaction of internal audit is to test those controls for effective operation and provide management assurance. Obviously where controls are not operating effectively we would provide management with advice through our recommendations on what they can do to strengthen the effectiveness of these controls. Where management had assessed risks as high and assess controls either as not in place or weak, the reaction of internal audit should be that here is an opportunity for consulting activity to add value to management.

SERVICE STATISTICS FOR INTERNAL AUDIT

As the world is still heavily impacted by the COVID-19 pandemic, so is the Internal Audit Unit in achieving its KPI's as dictated by the Annual Audit Plan.

The flexible working arrangement adopted by the Municipality as dictated by the Disaster Management Regulations in trying to curb the spread of the virus exacerbated the untimeliness of the deliverables expected from the Internal Audit Unit. Delays were experienced in securing meetings with the relevant officials, receiving audit evidence and

obtaining clarity when necessary due to some officials testing positive to COVID-19 and various buildings having to close for disinfection; however, the unit strived in ensuring minimal delays on the overall deliverables.

1X Audit Senior and 3 X Auditors were appointed in December 2020 and require Internal Audit specific training which will assist in upskilling them and aligning their performance to the Unit’s performance standards. This training will also be beneficial to the in-house auditors as part of their continued development process.

The contract of Service Providers expired on 27 November 2020 and a new panel of Service Providers was appointed on 19 May 2021, effective 1 July 2021 to assist in bridging the gap created by the vacant posts in the unit.

RISK MANAGEMENT

Internal Audit is of the view that, subject to review, the Municipality has adequate instruments to drive risk management.

Our framework, profiles risks in terms of their likelihood of occurrence and impact to the Municipality, in terms of the best practice guidelines to risk management. The, then status of the Municipality, which, as discussed above, has not been updated, locates 76% of the risks as high and critical. Although not updated, there is evidence that this risk exposure has not improved since the initial assessments. The discussions surrounding this claim are in the sections that follow in this document.

Internal Audit further engaged in the development of an IT system, Risk Governor that will drive risk management in the City. The system is still functional and will be used for this purpose into the future.

However, the Unit is still thinly resourced and as such, still require external supplement to function optimally. We draw such resources from the pool of consultants at our disposal. With the current financial and budgetary challenges, this might be a challenge for the unit.

Strategic Risks

The control – self assessments conducted, culminated in the Municipality defining its strategic risks as presented in the table below:

Strategic Risk	Likelihood	Impact	Risk Rating
Financial Unviability	Likely	Critical	
Inadequate Infrastructure Development & Maintenance	Likely	Critical	
Poor Service Delivery	Likely	Critical	
Poor Administration	Likely	Major	
Unstimulated Municipal Economy	Likely	Major	
Exposure of Community to Health and Safety Hazards	Likely	Critical	

The Management assessed these risks as either critical or high as depicted. Internal Audit was seized with the responsibility to develop indicators and tolerance measures for these risks. Such is discussed below.

It is critical to note upfront that the measures, designed to extract and assess information independent of management, currently reflect that the status of risk exposure has not shifted, and in certain instances, worsened from the original status in 2016/2017. It has become more critical now than then that management places serious focus on the strategic risks facing the municipality. We have presented below the extent of movement from the original assessment of indicators to the current assessment to illustrate this point.

Financial Viability

This risk was premised on the need for the municipality to remain financially resourced in order to deliver basic services to communities. Its primary focus was on ensuring sustainable cash resources to the City.

The financial climate in which the municipality operates has significantly worsened from 2018, necessitating that management puts a solid focus on the municipal purse. Our assessment, supported by the above indicators, is that the risk of financial viability is greater for the municipality than it ever was.

Key risk considerations for viability

- **Debt Collection**

The municipality has always been faced with debt collection challenges. It appears that these are worsening over time with very little sustainable solutions to arrest them. With a current collection rate at around 46%, the financial resources of the City are under severe threat. Although the current ratio reflects a positive 2.9:1, we have discounted it with the impairment of debtors that is underrated in the financial records of the municipality. Our independent calculations reflect that at least 60% of the municipality's debtor's book is potentially uncollectable. The municipality has accounted for 26% in its books.

- **COVID-19 pandemic.**

The impact of the pandemic is and will continue to be desperate for the entire country. The extent of closures of businesses and retrenchment of workers/ citizens will place rate base and the collection rate under pressure. Although this is currently impractical to quantify, a practical prognosis is that the city would have to adjust its financial revenue forecasts downwards, from the advent of the pandemic.

We do not anticipate that the national fiscus will have a sufficient revenue muscle to compensate for the financial losses that municipalities will sustain, and, as such, municipalities will have to employ creative means to control their expenditures, convert their revenues into cash under these trying times, and remain financially viable.

- **Municipality's risky projects**

Internal Audit has identified programs of the municipality that do not appear to be generating meaningful revenues and, in fact, are placing the city into financial risks. The strategic relevance of these programs is beyond the scope of internal audit; however, we strongly suggest that the manner in which they are currently discharged, together with the financial viability assessments on them require consideration by management. These are:

- The forest,
- The game reserve,

- The traffic Office.

We suggest that, particularly in the current economic climate, the municipality conducts a serious review of the revenue generation instruments at its disposal and ensures that these are optimized. Similarly, cost drains, should be discontinued sooner rather than later.

Inadequate Infrastructure development

Management's focus for this risk is to ensure that the infrastructure requirements of the city are met, and that such infrastructure is adequately preserved through maintenance.

As evident above, our financial analysis reflect that the municipality is allocating less of its expenditure to infrastructure. In fact, the city has fallen well below the national treasury thresholds in this regard. Similarly, the extent of maintenance of the existing infrastructure is significantly below such norms.

Key considerations

- **Availability of infrastructure into the future**

With the current expenditure patterns, we suggest that the communities will be faced with a dilapidating city in the future. The current status already suggests that the municipality is operating on ageing infrastructure, and a capital expenditure program, coupled with a maintenance strategy, will be paramount in mitigating this risk.

- **Availability of reserves for infrastructure**

The Municipality has virtually exhausted its infrastructure replenishment reserve, i.e. Capital Replacement Reserve, which ordinarily would guarantee the city's ability to replace infrastructure as it ages. This is exposing the city to a serious risk of an inability to respond to any major breakdowns of infrastructure in the future. Management should make all efforts to build this reserve and align it with the infrastructure maintenance and replacement plans of the Municipality.

- **Protect municipality's infrastructure**

The COVID-19 pandemic is bound to constrain the relationship that the municipality has with its communities. This is gaining traction across the country and, if unmanaged, will also be felt in the City. Even outside the pandemic, this relationship has always been very sensitive.

This will simply exacerbate the infrastructure challenges that the municipality is currently engulfed with. Management should develop community management strategies, detection intelligence and coherent plans to deal with these should they arise.

Poor Service Delivery

Internal audit intended to have management place focus on service delivery through this risk. Its primary focus was on the statistics of access to basic services at community level. This was supplemented by the measures of the extent to which the municipality is spending on its operational and capital expenditure budget

Unfortunately, internal audit could not obtain appropriate information to measure the extent of service delivery by the municipality. However, the rate of spend of the operating and capital expenditure budgets suggests, as reflected above, that this is a course for concern.

Key Considerations

- **Budget reprioritisation**

There is no doubt that the municipality would have to revisit its original budget taking into account the added pressures of the COVID-19 pandemic and ensure that the revised budget responds adequately to such pressures.

- **Strengthened management**

The extent of underspend on the budget is concerning. Management should interrogate the root – causes for this and seek mechanisms to eradicate it. In particular, the Capital Expenditure budget underspend with the infrastructure challenges discussed above, is not anticipated and would certainly not be tolerated by the communities.

1.4. Poor Administration

The municipality has to manage a risk of a poorly administered city in its service delivery mandate. This, if left unmanaged in the public service, has serious political undertones and can compromise the community's confidence in the management of the city.

Virtually all indicators in this regard reveal a poorly administered city where indicators have fallen outside the national treasury thresholds.

Key considerations

- **Audit preparation**

The municipality, across its operations, should ensure that it possesses sufficient and appropriate audit evidence to back the assertions that will be made in the annual financial statements and the performance reports. The city comes from a dark cloud of disclaimers and qualifications which need to be managed and eradicated. Internal Audit is aware of the strides that are made in this regard and urges that, particularly as the municipality is beginning its audit cycle, enhanced focus is placed on this.

- **Management of the vacancy rate**

The vacancy rate of the municipality remains a challenge, and has a bearing on effective administration of the city's operations. We are currently uncertain as to the effect that this has on the expenditure patterns of the city raised above, the quality of the audit outcomes and general performance in delivering services. Our summation is that these are closely linked.

A significant risk exposure is the impact that COVID-19 will have on the human resource availability from time to time. We anticipate that the pandemic will have a major impact on business continuity through illnesses and, God forbid, death. Management should confront this risk and develop effective strategies to ensure that such does not negatively affect the capacity of the municipality to continue with an uninterrupted service delivery mandate.

Unstimulated Municipal Economy

A serious strategy of any municipality is to ensure that it does not turn its municipal boundaries into a “ghost town”. Similarly, the intent is to strike an optimal balance between residential and commercial revenue bases urgently required to sustain the municipality. These can be in many forms, including rates, service charges and third - stream incomes.

This approach was to manage that the economy of the city is effectively stimulated, not only for the revenue requirements of the municipality, but also for effective engagement of the citizens of Msunduzi.

Key Considerations

- **COVID-19**

The impact of the pandemic has been and will continue to be the erratic operation of businesses. Many have faced financial challenges that they may never recover from. A vast majority will be faced with operational and business continuity challenges. The blue-print response to the pandemic is to shut doors wherever it is encountered, disinfect the area, quarantine the affected and resume operation when it is safe to do so. This will be felt in the profitability of industry and their capacity to sustain in the long run. This ultimate impact will be on the rate base of the municipality.

Management should develop instruments to assist and support businesses in these hard times, to ensure that they protect the city’s rate base.

- **Attraction of industry**

The leadership of the municipality should further develop mechanisms to attract industry into the city to stimulate the economy. Access to land, palatable rate charges and financial support instruments would have to be developed in order to make Msunduzi a city of choice to run a business and live in. Security will also need to be strengthened to ensure that the risks of running a business and living in the city are brought to a minimum.

Health and Safety Hazards

This risk was determined in order to respond to the municipality’s mandate of making the city safe and healthy to reside

Key Considerations

- **Fire hazards at the landfill site**

Internal audit would like to draw management’s attention to the recent fires at the landfill site and their probability of reoccurrence if left unmanaged. The landfill is scientifically prone to wild fires and mitigation strategies must be implemented and managed at all material times.

- **Law enforcement**

We have already raised a concern in this report with regards to the revenue generate and collected from traffic enforcement. A further concern is the visibility of the traffic officers within the perimeters of the city. We believe that traffic violations should not be left unabated and they would become a norm in the city, endangering the lives of the citizens.

The operations and resourcing of Safe City also require management attention in order to ensure that it continues to detect and manage crime. We are currently conducting a review in this regard and will be issues a comprehensive report to management on our findings.

- **COVID-19**

Once again, the pandemic finds expression in this regard. There is no doubt that the municipality will need to develop and manage a strategy, not only to prevent the spread of the pandemic but also to manage its outcome in the health sector, corona services and ultimately sufficient and appropriate disposal strategies of the mortal remains of those who will unfortunately perish from the pandemic.

ANTI-CORRUPTION AND FRAUD

Forensic investigation is first of all a recognized science in its own right. Forensic investigation is an in-depth, meticulous investigation, systematic gathering and analysis of all documents, transactions, systems, relevant legislation, policies and other objects, searching for the truth through the use of specialized skills and expert knowledge and the application of scientific investigation methods and techniques, in order to lawfully discover, collect, prepare, identify and present evidence which can be presented to a court of law, disciplinary proceedings / tribunal set up by an organization. The primary purpose is finding a positive solution to a crime or offence or transgression or irregular conduct. The forensic investigation result in the presentation of the outcome of the investigation, whether in a court of law for criminal, civil or administrative proceedings, or at a disciplinary hearing.

The intention of any investigation is to establish what actually happened. The investigator does not rely on presumption but proves the crime or incident by means of evidence.

The main purpose of investigation is to trace offenders by using scientific techniques or approaches, or to detect alleged offenders by furnishing scientific proof of their involvement in the crime.

The primary objective of the forensic investigations sub-unit is to give effect to powers and responsibility of Audit Committee in terms of Section 166(2)(d) of the Municipal Finance Management Act, 56 of 2003. Audit Committee is responsible to carry out such investigation into the affairs of the municipality as Council of the municipality may request. Clause 3.1.3.4 of the Audit Committee charter re-affirm the aforementioned responsibility to the Audit Committee.

The Municipal Council has a framework on anti-fraud and corruption and it is composed of Anti-Fraud and Corruption Policy, Anti-Fraud and Corruption Strategy and Whistle Blowing Policy that was adopted in 2013. The framework was last reviewed and amendments made in 2018/19 financial year and adopted by Council in 2019/20 financial year.

Our anti-fraud and corruption strategy is continuing to bear fruits in our fight against the scourge of fraud and corruption in the Msunduzi Municipality. On the forensic investigation sub-unit performance was above average despite having limited resources. It is must be noted with concern that the Whistle Blowing Hotline has been discontinued which was intended to encourage employees, Councillors and members of public to feel confident in raising breaches, concerns or disclosing of information relating to fraud and corruption or irregular and or criminal activity in work place in a responsible manner without fear of victimization.

During period under review twenty-four (24) matters were reported to internal audit unit and some were referred by the City Manager and the Chief Financial Officer. Twenty-five (25) forensic investigations ranging from allegations of fraud, corruption, vehicle abuse, unethical behavior and other gross maladministration taking place in the municipality were completed during the year under review.

Of Twenty-five (25) forensic investigations finalized, eleven (11) cases were carried over from 2019/20 financial year were completed in 2020/21 financial year. Some forensic investigations took longer to be finalized due to complex

nature of forensic investigation technics to be applied and information to be sifted through and availability of officials to be interviewed and provide documents.

Forensic investigations revealed overtime fraud, Payroll fraud, losses as a result of absenteeism of staff, other types of fraud committed in the municipality, abuse of municipal vehicles and corruption. Refer to table below:-

Report No.	Overtime Fraud	Payroll Fraud	Absenteeism	Other types of Fraud	Abuse of Municipal Vehicle	Corruption
FI-09/2019-20	R326 589,63	R5 434,56	R0,00	R293 759,91	R6 309,73	R0,00
FI-42/2018-19	R0,00	R0,00	R66 819,59	R 0,00	R26 309,58	R0,00
FI-35/2019-20	R 0,00	R 0,00	R230 973,52	R 0,00	R102 109,31	R0,00
FI-30/2019-20	R8 188,95	R 0,00	R32 803,63	R 0,00	R10 226,77	R 0,00
FI-28-2019/20	R 0,00	R 0,00	R 0,00	R17 713,47	R 0,00	R 0,00
FI-10-2019/20 (A)	R394 326,17	R 0,00	R96 021,42	R 0,00	R 0,00	R 0,00
FI-10-2019/20 (B)	R400 527,14	R 0,00	R75 263,83	R 0,00	R 0,00	R 0,00
FI-31/2019-20	R 0,00	R742 277,16	R 0,00	R 0,00	R 0,00	R 0,00
FI-49/2019-20	R34 194,66	R 0,00	R 0,00	R 0,00	R280 999,54	R 0,00
FI-12/2019-20	R 0,00	R 0,00	R 0,00	R 0,00	R 0,00	R165 000,00

Report No.	Overtime Fraud	Payroll Fraud	Absenteeism	Other types of Fraud	Abuse of Municipal Vehicle	Corruption
TOTALS	R1 163 826,55	R747 711,72	R501 881,99	R311 473,38	R425 954,93	R165 000,00

Twenty-two (22) cases were registered with South African Police Service during the year under review on cases of fraud in majority and the total cases registered worth **R 34 722 141,10**. These cases were allocated to Commercial Crime Unit for investigation.

The above cases are in addition to seven (7) of cases which are under investigation by Directorate of Priority Crimes Investigation and three (3) cases of fraud and corruption which are part heard in Durban Specialized Commercial Crimes' Court. Two (2) cases worth R57 million are with Anti-Corruption Task Team and investigations are prosecutor (Senior State Advocates) driven and related to investigation conducted and finalized in 2019/20. These two cases will be ready to be enrolled at Durban Specialized Commercial Crimes 'Court in 2021/22

In terms of common law, criminal and other irregular conduct in the organs of the state and private bodies are detrimental to good, effective, accountable and transparent governance in organs of state and open and good corporate governance in private bodies and endanger the economic stability of the Republic of South Africa and have a potential to cause social damage.

The contribution by the members of community and some employees in reporting some of the above-mentioned allegations is much appreciated. The Msunduzi community members have an obligation to report allegations of immoral behaviors by employees, services providers contracted by the municipality or members of the public or any other third parties to the Municipality, as this is expression of citizenry activism. The fight of scourge of fraud, corruption, theft and embezzlement of the assets of the Municipality can only succeed if we work with all citizens of Msunduzi to reduce suffering and pain by the community due to fraud and corruption. The community is deprived basic rights of human dignity and improvement of quality of life for citizens.

EMPLOYEE INFORMATION – INTERNAL AUDIT

EMPLOYEE: INTERNAL AUDIT					
Job Level	2019/2020	2020/2021			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents No.	Vacancies (as a % of total posts) %
T01–T03	0	0	0	0	0
T04-T08	1	2	1	1	50
T09–T13	4	16	8	8	50
T14-T18	1	3	3	0	0
T19-T22	1	1	1	0	0
T23-T25	0	0		0	0
Total	7	22	13	9	41

FINANCIAL PERFORMANCE – INTERNAL AUDIT

FINANCIAL PERFORMANCE 2020/2021: INTERNAL AUDIT-103036/104052/3/4					
					R'000
Details	2019/2020	2020/2021			Variances to Adjusted Budget %
	Actual	Original Budget	Adjustment Budget	Actual	
Total Operational Revenue (excl. tariffs)		N/A	N/A	N/A	
Expenditure:					
Employees		15 341	15 341	8 573	44.1%
Repairs and Maintenance					
Other		5 866	7 226	6 561	9.2%
Total Operational Expenditure		28 433	22 567	15 134	32.9%
Net operational (Service) Expenditure					

Variances are calculated as follows:
Actual expenditure – Adjusted budget divided by the Adjusted budget x 100.

CAPITAL EXPENDITURE – INTERNAL AUDIT

CAPITAL EXPENDITURE 2020/2021: INTERNAL AUDIT					
					R'000
Details	2020/2021				
	Budget	Adjustment Budget	Actual Expenditure	Variances to Adjusted Budget %	Total Project Value
Total All	N/A	N/A	N/A	N/A	
Project A					
Project B					
Project C					
Project D					

INTERNAL AUDIT POLICY OBJECTIVES TAKEN FROM THE IDP

INTERNAL AUDIT														
OP REFERENCE	PERFORMANCE REPORTING 2019/2020 FY - ANNUAL PROGRESS REPORT			OP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	BASELINE / STATUS QUO	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL 2019/2020 FY PROGRESS REPORT							ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)					ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
IA01	Completion of internal audit assignments as per approved Annual Audit Plan 2019/20 by the 30th of June 2020	23 of the 42 planned audit assignments as approved Annual Audit Plan for 2019/20 were completed by the 30th of June 2020	3 (100% - 129%)	IA01	NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT	Assurance Services	Internal Audit assignments completed in the 19/20 FY	100% Completion of internal audit assignments as per approved Annual Audit Plan 2020/21 by the 30th of June 2021	6 Audits have been completed of the 11 Audits which were planned for the 2020/2021 Financial Year. 1 X Audit is in progress: 1. Audit of Disconnection and Reconnection The 3 audits which could not be performed as a result of resource constraints are as follows: 1. AoPI- Mid-Term Performance 2. Audit of Section 72 for the 2020/2021 FY 3. Audit of the Draft Budget 1 X Audit that could not be finalized due to poor quality is as follows: 1. Audit of the	2 (70% - 99%)	1. Resource Constraints 2. Poor delivery by the Service Provider	1. A new panel of service providers has been appointed. 2. Thorough review of the deliverables of the Service Providers when the audit is still in progress.	2021/2022 Financial year	Internal Audit Reports

INTERNAL AUDIT														
OP REFERENCE	PERFORMANCE REPORTING 2019/2020 FY - ANNUAL PROGRESS REPORT			OP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	BASELINE / STATUS QUO	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL 2019/2020 FY PROGRESS REPORT							ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)					ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
									SDBIP for 2020/2021 FY					
	2,731,893	N/A	N/A					N/A	N/A	N/A	N/A	N/A	N/A	N/A
IA02	Development & submission of the Three Year Audit Rolling Plan for 2020/21, 2021/22 & 2022/23 to the Audit Committee for approval by the 30th of June 2020	Development & submitted a Three Year Audit Rolling Plan for 2020/21, 2021/22 & 2022/23 to the Audit Committee for approval on 25 June 2020	3 (100% - 129%)	IA02	NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT	Assurance Services	1 plan was approved	Development & submission of the Three Year Audit Rolling Plan for 2021/22, 2022/23 & 2023/24 to the Audit Committee for approval by the 30th of June 2021	The Three Year Audit plan was presented and approved by the Audit Committee on the 22nd of June 2021.	3 (100% - 129%)	N/A	N/A	N/A	Audit Committee Resolution
	N/A	N/A	N/A					N/A	N/A	N/A	N/A	N/A	N/A	N/A
IA03	Number of Audit Committee meetings for the 19/20FY facilitated by the Internal Audit Unit as per the approved work plan/calendar of the Audit Committee by the 30th of June 2020	6 meetings of Audit Committee for the 19/20FY were facilitated by the Internal Audit Unit as per the approved work plan/calendar of the Audit Committee by the 30th of June 2021. One meeting scheduled for April 2020 could not take place due to lockdown	3 (100% - 129%)	IA03	NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT	Assurance Services	1 plan was approved	Development & submission of an Annual Audit plan for 2021/22 FY to the Audit Committee for approval by the 30th of June 2021	The Annual Audit Plan for the 2021/ 2022 FY was presented and approved by the Audit Committee on the meeting of the 22nd of June 2021	3 (100% - 129%)	N/A	N/A	N/A	Audit Committee Resolution
	N/A	N/A	N/A					N/A	N/A	N/A	N/A	N/A	N/A	N/A

INTERNAL AUDIT														
OP REFERENCE	PERFORMANCE REPORTING 2019/2020 FY - ANNUAL PROGRESS REPORT			OP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	BASELINE / STATUS QUO	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL 2019/2020 FY PROGRESS REPORT							ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)					ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
IA04	3 x Quarterly reports prepared and submitted OMC on the Activities of the Internal Audit unit for the 19/20 FY by the 30th of June 2020	1 x Quarterly reports prepared and submitted OMC on the Activities of the Internal Audit unit for the 19/20 FY by the 30th of June 2020	1 (69% & below)	IA04	NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT	Audit Committee	1 plan was approved	Development & submission of an Audit Committee Annual Work Plan & Calendar of activities for 2021/22 FY to the Audit Committee and Council for approval by the 30th of June 2021	The Audit Committee Annual Work Plan & Calendar of activities for 2021/22 FY developed & submitted to the Audit Committee for approval by the 30th of June 2021	3 (100% - 129%)	N/A	N/A	N/A	Audit Committee Resolution
	N/A	N/A	N/A					N/A	N/A	N/A	N/A	N/A	N/A	N/A

COMMENT ON THE PERFORMANCE OF INTERNAL AUDIT OVERALL

The performance of the unit was average in terms of the approved annual plan. The unit still has a challenge of internal capacity and is heavily reliant on consultants. The Chief Audit Executive was overly stretched with the expected deliverables, in particular due to a vacant position of the Chief Risk Officer and Manager: Forensic Investigations and the Manager: Assurance was on maternity leave.

The Covid 19 pandemic also contributed negatively on the execution of the Annual Audit Plan as the service providers were skeptical of accepting and performing audits.

6.2. OFFICE OF THE CITY MANAGER

INTRODUCTION TO OFFICE OF THE CITY MANAGER

The office of the City Manager includes the political and the administrative interface of the Municipality. The following functions fall within the Office of the City Manager:

- Political Support encompassing:
- Internal Audit
- Strategic Planning
- Organizational Compliance, Performance and Knowledge Management
- Communications and Intergovernmental Relations

ORGANIZATIONAL UNITS WITHIN OFFICE OF THE CITY MANAGER

COMMUNICATIONS AND INTERGOVERNMENTAL RELATIONS

Communication is a key strategic service – to ensure that information is widely accessible within the public space, to engage citizens in conversation around critical issues and to empower citizens to participate in not only shaping municipal policies but also in taking up opportunities that affect their lives.

Effective communication can also contribute positively to municipal endeavours – leading to good governance, improved internal staff and external citizen/, and contributing towards meeting the municipality’s aims and objectives.

The key communication functions are Media Liaison, Internal and External Communication, Corporate image and identity of an organization, Branding, Publications and Exhibition.

Communication is a key strategic service – to ensure that information is widely accessible within the public space, to engage citizens in conversation around critical issues and to empower citizens to participate in not only shaping municipal policies but also in taking up opportunities that affect their lives.

ACTIVITY PLAN:

PRIORITY ISSUE:	ACTIVITIES:	DESIRED OUTCOME:	FEEDBACK ON IMPLEMENTATION
Corporate Image and Brand Identity	- Display of correct official portraits at strategic municipal entrances and boardrooms	Compliance with State protocol	Only the official photograph of the Premier was changed.
	- Improvement of exterior signage for Municipal buildings as per signage audit and designs conducted in the 2019/2020 financial year.	A clear and consistent visual identity to assist the public in recognizing the municipality	The first phase of the outdoor signage was implemented.
Mayor of the people	- Development of quarterly advertorials on municipality's achievements - Placement of advertorials in local newspapers - Coordination of quarterly media briefings	Enhance public knowledge of the Municipality's programs and achievements and improve stakeholder engagement.	Due to financial implications, only one advertorial was developed and placed in the newspapers. However media statements are being distributed.

PRIORITY ISSUE:	ACTIVITIES:	DESIRED OUTCOME:	FEEDBACK ON IMPLEMENTATION
	<ul style="list-style-type: none"> - Mayor's engagement with the public through radio. 	Projecting, defending and maintaining the image of the Municipality	
Quarterly Communication and education campaign 1. Covid-19 campaign 2. Keep the City Clean campaign 3. Revenue enhancement campaign 4. Electricity, water and land invasion campaign	<ul style="list-style-type: none"> - Radio talk shows and interviews - Promotions and activations - Product development and distribution - Social media campaign 		A comprehensive communication/awareness campaign was implemented. It involved advertising, distribution of fliers and posters as well as social media campaigns. More social media campaigns were implemented focusing on Covid-19, keeping the City Clean and Revenue enhancement. Social media engagements between the Municipality and the public in relation to electricity and water were also undertaken.
Development design and printing of Msunduzi communication material	<ul style="list-style-type: none"> - Directory of services - Service delivery booklet 	Enriched knowledge of the Municipality's programs and achievements and enhanced stakeholder engagement	The target was not met and will be implemented in the next financial year.
Know your Councillor	<ul style="list-style-type: none"> - Develop posters for Councillors and place in Local newspapers - Councillors to engage with the community on Radio 	Expand on communication platforms in which Councillors can engage with the community within their ward and these are regarded as effective means of communication between the Municipality and the community it serves.	The Know your Councillor campaign was implemented. Posters were designed and advertised in the Local print newspapers and also circulated on social media.
Activations for <ul style="list-style-type: none"> ▪ Capital City Marathon 2021 ▪ Comrades Marathon 2021 	<ul style="list-style-type: none"> - Management of Msunduzi Water Station - Advertising of Mayor's message in the Magazine - Social media campaign - Aerobics activity - Mini marathon activity 	Profiling of Msunduzi Municipality through signature events partnership	The Capital City Marathon did not take place, due to the Covid-19 regulations. The Comrades Marathon was a virtual race and there were no costs incurred to the Municipality.
Royal Agricultural Show	<ul style="list-style-type: none"> - Activation of Council House for Royal Agricultural show - Advertising of services available at the Royal Show 	Government to the people programme	The Royal Agricultural Show was cancelled due to the Covid-19 regulations pertaining to events.
Internal Communication	<ul style="list-style-type: none"> - Development of communications standard operating procedure for the municipality 	Improved internal communication	The standard operating procedures were not developed. The target will be met in the 2021/2022 financial year.
	<ul style="list-style-type: none"> - Establishment communicators forum with representatives from all business units 	Competent communicators and improved internal and external communication	A report was submitted and approved by the SMC in relation to the establishment of the Communications forum for the Municipality. It was resolved that Business Units appoint representatives.

PRIORITY ISSUE:	ACTIVITIES:	DESIRED OUTCOME:	FEEDBACK ON IMPLEMENTATION
	- Capacity building on communications - Training of members of communicators forum		The nomination of Business Unit representatives for the forum has not be finalized.

ORGANISATIONAL COMPLIANCE, PERFORMANCE & KNOWLEDGE MANAGEMENT

The Organizational Compliance, Performance and Knowledge Management Unit is based with the Office of the Senior Manager: Office of the City Managers with the City Managers Business unit. The OC, P & KM unit is predominantly responsible for the following as per the approved Operational Plan for the unit on an annual basis.

- Collation and Development of the Annual SDBIP & OP for approval of the Mayor as well as publication on the Municipal Website,
- Monthly, Quarterly and Annual Monitoring and Evaluation of the SDBIP and preparation of reports to all committees of Council,
- Collation and Development of the Mid-Year Performance review submission to Council for Approval,
- Collation and Development of the Annual Report submission to Council for approval and publication on the website as well as submission to the Sector Departments
- Collation and development of the Annual Performance report annual submission to the Auditor General.
- Annual Review of the Organizational Performance Management Policy
- Annual Review of the Individual Performance Management Policy
- Annual Review of the Standard Operating Procedure for the Compilation of the Portfolios of Evidence on the SDBIP
- Development of a performance assessment schedule annually
- The unit is required to prepare the Annual Performance agreements of the City Manager, General Managers, Senior Managers and Senior Managers reporting directly to the City Manager as well as publishing on the website and submission to the MEC KZN CoGTA.
- The unit is also responsible for the continuous publication of performance related articles on corporate communications to allow staff to understand the concept of performance management and the related aspects thereof.
- The unit is responsible for the PMS turnaround strategy and the submission of Monthly reports to portfolio committees of Council.
- The unit is also required to respond monthly on the Back to Basics Report to National CoGTA and Quarterly to the KZN Department of COGTA having collated the information from the business units.
- The unit is responsible for the Quarterly SDBIP submission to National Treasury.

The OC, P & KM unit is responsible for the following on an AD-HOC basis:

- The OC, P & KM unit on an ad-hoc basis is responsible for preparing and submitting the STATS SA Questionnaire to STATS SA having consolidated all responses received.
- The unit is responsible for any monitoring and evaluation report requiring responses from any business unit of Council from any Sector Department, Stakeholder and the Auditor General.
- The Unit is required to provide the necessary performance management responses to Internal Audit and the Auditor General.
- The unit is also required at times to conduct research on various topics for the Office of the City Manager.
- The unit on an AD- HOC basis attends and reports to KZN CoGTA as part of a committee called the district

COMMENT ON THE ANNUAL REPORT PROCESS

The Municipal Manager requested that the Draft Annual Report be prepared by no later than the 31st of August 2021.

The Draft report will be produced by the 31st of August and submitted to the Auditor General.

In terms of the MFMA a draft Report must be submitted to the AG on the 31st of October Annually. The report will continue to be in draft format until tabled at Council on the 31st of January 2022.

SURNAM E	NAME	STRATEGIC BUSINESS UNIT	DESIGNATION	DATE OF DISCLOSURE	SHARES & OTHER FINANCIAL INTERESTS (YES/NIL)	DIRECTORSHIPS & PARTNERSHIPS (YES/NIL)	REMUNERATED WORK OUTSIDE THE MUNICIPALITY (YES/NIL)	CONSULTANCIES & RETAINERSHIPS (YES/NIL)	SPONSORSHIPS (YES/NIL)	GIFTS & HOSPITALITY FROM A SOURCE OTHER THAN A FAMILY MEMBER (YES/NIL)	LAND & PROPERTY (YES/NIL)
Khathide	Madoda	OFFICE OF THE CITY MANAGER	CITY MANAGER	28/07/2020	YES	NIL	YES	NIL	NIL	NIL	YES
Jackson	Madeleine	OFFICE OF THE CITY MANAGER	SENIOR MANAGER- OFFICE OF THE CITY MANAGER	04/08/2020	YES	NIL	NIL	NIL	NIL	NIL	NIL
Mahlaba	Jabulani	OFFICE OF THE CITY MANAGER	SENIOR MANAGER- CHIEF ADUIT EXECUTIVE	11/07/2019	YES	YES	NIL	NIL	NIL	NIL	YES
Lebelo	George	OFFICE OF THE CITY MANAGER	SENIOR MANAGER- STRATEGIC PLANNING	30/07/2020	NIL	NIL	NIL	NIL	NIL	NIL	YES
Zimu	Siwelile	OFFICE OF THE CITY MANAGER	SENIOR MANAGER- POLITICAL SUPPORT (A)	03/08/2020	NIL	NIL	NIL	NIL	NIL	NIL	YES
Sivparsad	Brenden	INFRASTRUCTURE SERVICES	SENIOR MANAGER- WATER AND SANITATION	30/07/2020	NIL	YES	NIL	NIL	NIL	NIL	YES
Madlala	Thabani	INFRASTRUCTURE SERVICES	SENIOR MANAGER- ELECTRICITY	07/08/2020	YES	YES	NIL	NIL	NIL	NIL	YES
Kunene	Sechaba	INFRASTRUCTURE SERVICES	SENIOR MANAGER- PROJECT	14/08/2020	YES	NIL	YES	NIL	NIL	NIL	YES

SURNAM E	NAME	STRATEGIC BUSINESS UNIT	DESIGNATION	DATE OF DISCLOSURE	SHARES & OTHER FINANCIAL INTERESTS (YES/NIL)	DIRECTORSHIPS & PARTNERSHIPS (YES/NIL)	REMUNERATED WORK OUTSIDE THE MUNICIPALITY (YES/NIL)	CONSULTANCIES & RETAINERSHIPS (YES/NIL)	SPONSORSHIPS (YES/NIL)	GIFTS & HOSPITALITY FROM A SOURCE OTHER THAN A FAMILY MEMBER (YES/NIL)	LAND & PROPERTY (YES/NIL)
			MANAGEMENT OFFICE								
Sosibo	Bheki	INFRASTRUCTURE SERVICES	SENIOR MANAGER- ROADS AND TRANSPORTATION	28/08/2020	YES	NIL	NIL	NIL	NIL	NIL	YES
NIL	NIL	NIL	GENERAL MANAGER: COMMUNITY SERVICES	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Khumalo	Kwenz	COMMUNITY SERVICES	SENIOR MANAGER- Public Safety & Enforcement	03/08/2020	NIL	NIL	YES	NIL	NIL	NIL	NIL
Zuma	Mandla	COMMUNITY SERVICES	SENIOR MANAGER- RECREATION & FACILITIES	03/08/2020	NIL	NIL	NIL	NIL	NIL	NIL	YES
Kunene	Lungisani	COMMUNITY SERVICES	SENIOR MANAGER- AREA BASED MANAGEMENT	01/07/2020	YES	NIL	NIL	NIL	NIL	NIL	YES
Nxumalo	Felix	SUSTAINABLE DEVELOPMENT AND CITY ENTERPRISES	GENERAL MANAGER- SUSTAINABLE DEVELOPMENT	24/07/2020	NIL	NIL	NIL	NIL	NIL	NIL	NIL

SURNAM E	NAME	STRATEGIC BUSINESS UNIT	DESIGNATION	DATE OF DISCLOSURE	SHARES & OTHER FINANCIAL INTERESTS (YES/NIL)	DIRECTORSHIPS & PARTNERSHIPS (YES/NIL)	REMUNERATED WORK OUTSIDE THE MUNICIPALITY (YES/NIL)	CONSULTANCIES & RETAINERSHIPS (YES/NIL)	SPONSORSHIPS (YES/NIL)	GIFTS & HOSPITALITY FROM A SOURCE OTHER THAN A FAMILY MEMBER (YES/NIL)	LAND & PROPERTY (YES/NIL)
			AND CITY ENTERPRISES								
Khumalo	Mthobisi	SUSTAINABLE DEVELOPMENT AND CITY ENTERPRISES	SENIOR MANAGER - DEVELOPMENT SERVICES	31/07/2020	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Khoali	Nyakane	SUSTAINABLE DEVELOPMENT AND CITY ENTERPRISES	GENERAL MANAGER- TOWN PLANNING AND ENVIRONMENTAL MANAGEMENT		NIL	NIL	NIL	NIL	NIL	NIL	YES
Mpisi	Ngangenkosi	INFRASTRUCTURE SERVICES	GENERAL MANAGER- INFRASTRUCTURE SERVICES	07/08/2020	NIL	NIL	NIL	NIL	NIL	NIL	YES
Molapo	Mosa	CORPORATE SERVICE	GENERAL MANAGER : CORPORATE SERVICES	30/08/2020	YES	YES	YES	NIL	NIL	NIL	YES
Dubazana	Sipho	CORPORATE SERVICE	SENIOR MANAGER: SECRETARIAT & AUXILIARY SERVICES	28/07/2020	YES	NIL	NIL	NIL	NIL	NIL	YES
Ngebulana	Xolile	CORPORATE SERVICE	SENIOR MANAGER : INFORMATION &	28/07/2020	NIL	NIL	NIL	NIL	NIL	NIL	NIL

SURNAM E	NAME	STRATEGIC BUSINESS UNIT	DESIGNATION	DATE OF DISCLOSURE	SHARES & OTHER FINANCIAL INTERESTS (YES/NIL)	DIRECTORSHIPS & PARTNERSHIPS (YES/NIL)	REMUNERATED WORK OUTSIDE THE MUNICIPALITY (YES/NIL)	CONSULTANCIES & RETAINERSHIPS (YES/NIL)	SPONSORSHIPS (YES/NIL)	GIFTS & HOSPITALITY FROM A SOURCE OTHER THAN A FAMILY MEMBER (YES/NIL)	LAND & PROPERTY (YES/NIL)
			COMMUNICATION TECHNOLOGY								
Ndlovu	Faith	CORPORATE SERVICE	SENIOR MANAGER: HUMAN RESOURCE MANAGEMENT	28/07/2020	NIL	NIL	NIL	NIL	NIL	NIL	YES
Gambu	Dudu	BUDGET AND TREASURY	SM: SCM	01/07/2020	NIL	NIL	NIL	NIL	NIL	YES	YES
Khoza	Sifiso	BUDGET AND TREASURY	SENIOR MANAGER : BUDGET PLANNING & IMPLEMENTATION	30/07/2020	NIL	NIL	NIL	NIL	NIL	NIL	YES
Nxumalo	Sipho	BUDGET AND TREASURY	SENIOR MANAGER: EXPENDITURE MANAGEMENT	29/07/2020	NIL	NIL	NL	NIL	NIL	NIL	NIL
Langa	Odwa	BUDGET AND TREASURY	SENIOR MANAGER: FINANCE GOVERNANCE & PERFORMANCE MANAGEMENT	30/07/2020	NIL	NIL	NIL	NIL	NIL	NL	YES
Mpisi	Nganegenkosi	INFRASTRUCTURE SERVICES	SENIOR MANAGER- ELECTRICITY	06/05/2020	NIL	NIL	NIL	NIL	NIL	NIL	YES

SURNAME	NAME	STRATEGIC BUSINESS UNIT	DESIGNATION	DATE OF DISCLOSURE	SHARES & OTHER FINANCIAL INTERESTS (YES/NIL)	DIRECTORSHIPS & PARTNERSHIPS (YES/NIL)	REMUNERATED WORK OUTSIDE THE MUNICIPALITY (YES/NIL)	CONSULTANCIES & RETAINERSHIPS (YES/NIL)	SPONSORSHIPS (YES/NIL)	GIFTS & HOSPITALITY FROM A SOURCE OTHER THAN A FAMILY MEMBER (YES/NIL)	LAND & PROPERTY (YES/NIL)
Mathe	Mbongeni	COMMUNITY SERVICES	GENERAL MANAGER: COMMUNITY SERVICES	03/06/2020	NIL	YES	NIL	YES	NIL	NIL	YES
Mhlongo	Wilson	COMMUNITY SERVICES	SENIOR MANAGER- WASTE MANAGEMENT	28/0720202	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Bhengu	Willem	COMMUNITY SERVICES	SENIOR MANAGER- PUBLIC SAFETY & ENFORCEMENT	03/06/2020	NIL	NIL	NIL	NIL	NIL	NIL	YES
Nomfundo	Hlophe	CORPORATE SERVICE	SENIOR MANAGE: LEGAL SERVICES	30/07/2020	YES	YES	NIL	NIL	NIL	NIL	YES

NB: PLEASE NOTE THE ABOVE DECLARATIONS ARE FOR ALL STAFF THAT SIGNED PERFORMANCE AGREEMENTS IN THE 2020/2021 FINANCIAL YEAR. THE DATA CONTAINED THEREIN WAS COMPLETED BY EACH INDIVIDUAL MANAGER AND ALSO WAS COMMISSIONED BY A COMMISSIONERS OF OATHS TO BE A TRUE REFLECTION OF THE DECLARATION MADE BY THESE MANAGERS.

EMPLOYEE INFORMATION – OFFICE OF THE CITY MANAGER

EMPLOYEE: OFFICE OF THE CITY MANAGER					
COMMUNICATIONS AND IGR & ORGANISATIONAL COMPLIANCE AND PMS					
Job Level	2019/2020	2020/2021			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents No.)	Vacancies (as a % of total posts) %
T01–T03	0	1	0	1	100
T04-T08	28	44	28	16	36
T09–T13	5	7	5	2	29
T14-T18	6	9	5	4	44
T19-T22	1	1	1	0	0
T23-T25	0	0	0	0	0
Total	40	62	39	23	37

FINANCIAL PERFORMANCE – OFFICE OF THE CITY MANAGER

FINANCIAL PERFORMANCE 2020/2021: OFFICE OF THE CITY MANAGER					
R'000					
COMMUNICATIONS AND IGR & ORGANISATIONAL COMPLIANCE AND PMS-101011/103058/104503/09/28					
Details	2019/2020	2020/2021			
	Actual	Original Budget	Adjustment Budget	Actual	Variances to Adjusted Budget %
Total Operational Revenue (excl. tariffs)			-59	-4	-6%
Expenditure:					
Employees		13 476	0	7 478	0%
Repairs and Maintenance		190	-	-	-
Other		18 995	201	14 347	-7%
Total Operational Expenditure		32 661	201	21 825	-10.7%
Net operational (Service) Expenditure		32 661	142	43 650	-30.6%
Variances are calculated as follows: Actual expenditure – Adjusted budget divided by the Adjusted budget x 100.					

CAPITAL EXPENDITURE – OFFICE OF THE CITY MANAGER

CAPITAL EXPENDITURE 2020/2021: OFFICE OF THE CITY MANAGER					
R'000					
COMMUNICATIONS AND IGR & ORGANISATIONAL COMPLIANCE AND PMS-101011/103058/104503/09/28					
Details	2020/2021				
	Budget	Adjustment Budget	Actual Expenditure	Variances to Adjusted Budget %	Total Project Value
Total All					
Project A : Computer	910	570	274	51.9%	
Project B :Furniture	150	4	0	100%	
Project C :Machinery & Equipment	250	50	0	100%	
Project D :					

OFFICE OF THE CITY MANAGER POLICY OBJECTIVES TAKEN FROM THE IDP

OFFICE OF THE CITY MANAGER														
OP REFERENCE	PERFORMANCE REPORTING 2019/2020 FY - ANNUAL PROGRESS REPORT			OP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	BASELINE / STATUS QUO	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL 2019/2020 FY PROGRESS REPORT							ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4, 5, Not Applicable)					ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4, 5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
OC M 13	12 x monthly MFMA Legislative compliance checklist reports produced and submitted to OMC for the 2019/2020 FY by the 30th of June 2020	12 x monthly MFMA Legislative compliance checklist reports produced and submitted to OMC/SMC for the 2019/2020 FY by the 30th of June 2020	3 (100% - 129%)	OC M 13	NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT	Performance Management	12 x monthly Performance Management articles prepared and submitted to the Communications and IGR unit for inclusion in the monthly Msunduzi newsletter by the 30th of June 2020	12 x monthly Performance Management articles prepared and submitted to the Communications and IGR unit for inclusion in the monthly Msunduzi newsletter by the 30th of June 2021	12 x monthly Performance Management articles prepared and submitted to the Communications and IGR unit for inclusion in the monthly Msunduzi newsletter by the 30th of June 2021	3 (100% - 129%)	N/A	N/A	N/A	12 X Monthly Performance Management Articles
	N/A	N/A	N/A					N/A	N/A	N/A	N/A	N/A	N/A	
OC M 14	12 x monthly Performance Management articles prepared and submitted to the Communications and IGR unit for inclusion in the monthly Msunduzi newsletter by the 30th of June 2020	12 x monthly Performance Management articles prepared and submitted to the Communications and IGR unit for inclusion in the monthly Msunduzi newsletter by the 30th of June 2020	3 (100% - 129%)	OC M 14	NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT	Service Provider Performance Assessment	Nil	2 x Service Provider Performance Assessments conducted by the 30th of April 2021	2 x Mid-Year Assessment of Service Providers not conducted by the end of April 2021	2 (70% - 99%)	Late submissions by Business units delayed the submission to SMC	N/A	N/A	2 x Service Provider Performance Assessments
	N/A	N/A	N/A					N/A	N/A	N/A	N/A	N/A	N/A	
OC M 15	12 x Internal Newsletters developed & published in	12 x internal newsletters developed & published in	3 (100% - 129%)	OC M 15	NKPA 1 - MUNICIPAL TRANSFORMATION &		12 x Internal newsletters published in 2019/2020	12 x Internal Newsletters developed & published on	13 x Internal Newsletters developed & published on	3 (100% - 129%)	N/A	N/A	N/A	Copy of newsletter and date of publication

OFFICE OF THE CITY MANAGER

OP REFERENCE	PERFORMANCE REPORTING 2019/2020 FY - ANNUAL PROGRESS REPORT			OP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	BASELINE / STATUS QUO	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL 2019/2020 FY PROGRESS REPORT							ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4, 5, Not Applicable)					ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4, 5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
	the 19/20 FY on Corporate Communications by the 30th of June 2020	the 19/20 financial year on Corporate Communications by the 30th of June 2020.			ORGANIZATIONAL DEVELOPMENT	Municipal Publications		Corporate Communications by the 30th of June 2021	Corporate Communications by the 30th of June 2021					on Corporate Communication.
	N/A	N/A	N/A				N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
OC M 16	12 x Monthly Msunduzi Newspapers developed, published and distributed by the 30th of June 2020	8 x Monthly Msunduzi Newspapers developed, published and distributed by the 30th of June 2020	2 (70% - 99%)	OC M 16	NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT	Municipal Publications	12 x monthly External Newspapers published in 2019/2020	12 x Monthly Msunduzi Newspapers developed, published and distributed by the 30th of June 2021	5 x Monthly Msunduzi Newspapers developed, published and distributed by the 30th of June 2021.	1 (69% & below)	Due to the Covid-19 pandemic and regulations, some publications could not be published.	An agreement was reached for two publications a month, in line with the contract,	21/22 FY	Publications.

OVERALL COMMENT ON THE PERFORMANCE OF OFFICE OF THE CITY MANAGER OVERALL

COMMUNICATIONS AND IGR

There was a challenge in meeting 100% of the Communication and Activity Plan in the 2020/2021 FY The nomination of Business Unit representatives for the forum has not be finalized.

ORGANISATIONAL COMPLIANCE, PERFORMANCE & KNOWLEDGE MANAGEMENT

The unit is hampered with 2 Acting and 2 contract workers appointments including the manager of the unit.The unit further has staff on contract which is renewed on a 6 months' basis. This is worrying as at any time should the Acting and Contracts not be renewed the unit will only have 2 permanent staff members in the unit of which 1 staff member was seconded to the IDP unit.

In order for PMS to be taken seriously and move progressively forward towards a point where the institution is performance driven the unit needs to be fully staffed and all vacancies filled.

6.4. STRATEGIC PLANNING

INTRODUCTION TO STRATEGIC PLANNING

The Strategic Planning Unit is also responsible for implementation of Urban Renewal Programmes. The Enforcement Officers on a daily basis patrol the Pietermaritzburg Central Business District (CBD) in order to identify any by-law infringements and/or service delivery matters that needs attention in order to ensure the Municipality is maintaining its Infrastructure and the by-laws are being enforced.

The backbone of the municipality is the Integrated Development Plan (IDP), devised to constructively implement the different programmes aimed at guiding future growth. This new focus on the future of the city, has led to a number of key catalytic and strategic projects that can leverage the city's economic and social potential. The city is re-positioning itself for a new set of challenges and is aggressively implementing new game changers, which are visible large-scale catalytic projects with a huge impact. The timing and sequencing of these projects require balanced implementation with an emphasis on economic development and employment creation.

ORGANIZATIONAL UNITS WITHIN STRATEGIC PLANNING

- **CITY DEVELOPMENT**

To help the city to harness the potential of growth and development with the view to improve the quality of life for all citizens by formulating a City Development strategy; analysing economic, social and environmental trends to maintain sustainability; adopt strategic planning to harness investments and growth opportunities for the city; develop a coordinated institutional framework for the city and to ensure that infrastructure and service delivery imperatives meets the demands of future growth within the city. To support increased institutional capacity and promote transformation, Strategic Planning sessions were undertaken to guide municipal priorities and the budget.

- **PIETERMARITZBURG URBAN RENEWAL PROGRAMME (PURP)**

To revitalize the city, stimulate economic growth, restore economic vitality, increase investor confidence in the city by relieving social problems through the maintenance, rehabilitation and rebuilding of the physical environment; formulate an urban renewal plan for the city; facilitate urban revitalization projects; prevent urban decay and promote and enforce projects that contribute to creating a safe and well-maintained city to improve investor confidence. The section targets Bylaw infringement inspections within the CBD and service delivery challenges that needs attention in order to ensure the Municipality is maintaining its Infrastructure and the by-laws are being enforced.

- **IDP**

To facilitate the development of a single, inclusive and strategic plan for the municipality by preparing a process set out in writing to guide the planning, drafting, adoption and review of the integrated development plan; facilitate the establishment of a vision for the long term development of the municipality; prepare an assessment development priorities and objectives for its elected term, facilitate the development of the council's development strategies and develop appropriate mechanisms, processes and procedures to consult the local community before adopting the IDP. This section targets include ensuring Budget Steering Committee meetings take place, the IDP Review process, draft IDP /Budget /PMS process plan is developed and adopted for the financial year. Attending the DDM forums and facilitating Mayoral Roadshows.

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?	No
Does the budget align directly to the KPIs in the strategic plan?	No
Do the IDP KPIs align to the Section 57 Managers	Yes
Do the IDP KPIs lead to functional area KPIs as per the SDBIP?	Yes
Were the indicators communicated to the public?	Yes
Were the four quarter aligned reports submitted within stipulated time frames?	Yes

PUBLIC MEETINGS

COMMUNICATION, PARTICIPATION AND FORUMS

Prior to the Zonal Izimbizo an IDP & Budget workshop is held with ward committee members to sensitize them in terms of what the IDP and budget entail. In order for the municipality to comply fully with the MSA and MFMA the municipality needs to facilitate the IDP/Budget consultation process. Due to cost containment that is currently being implemented and the National State of Disaster that has been declared by his Excellency President Cyril Ramaphosa on the 23rd of March 2020. The Municipality decided to bring innovative ways to communicate the IDP and Budget to the community and an extensive social media campaign was proposed to increase community interest in the process as defined below;

1. Social Media Campaign
2. Live online surveys
3. Live streaming of the Mayor giving the Address
4. Weekly newspaper adverts (Designed, layouts and Printed)
5. Summary booklets of the IDP/Budget available online and councillors offices
6. Online short videos for a You Tube channel (other social media).
7. Radio Adverts (Fly Overs to play daily/mentioning social media platforms)
8. Radio interviews/ More emphasis be placed on projects

EMPLOYEE INFORMATION – STRATEGIC PLANNING

EMPLOYEE: POLITICAL SUPPORT					
CITY DEVELOPMENT, PURP & IDP					
Job Level	2019/2020	2020/2021			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents No.)	Vacancies (as a % of total posts) %
T01–T03	0	0	0	0	0
T04-T08	11	31	9	22	71
T09–T13	0	5	0	5	100
T14-T18	2	5	3	2	40
T19-T22	0	1	0	1	100
T23-T25	0	0	0	0	0
Total	13	42	12	30	71

FINANCIAL PERFORMANCE – STRATEGIC PLANNING

FINANCIAL PERFORMANCE 2020/2021: POLITICAL SUPPORT					
R'000					
CITY DEVELOPMENT, PURP & IDP-104014/18/19					
Details	2019/2020	2020/2021			
	Actual	Original Budget	Adjustment Budget	Actual	Variances to Adjusted Budget %
Total Operational Revenue (excl. tariffs)					
Expenditure:					
Employees		10 598	0	5 861	0%
Repairs and Maintenance		18	5	2	60%
Other		847	0	571	0%
Total Operational Expenditure		11 463	5	6 434	128.58%
Net operational (Service) Expenditure					
Variances are calculated as follows: Actual expenditure – Adjusted budget divided by the Adjusted budget x 100.					

CAPITAL EXPENDITURE – STRATEGIC PLANNING

CAPITAL EXPENDITURE 2020/2021: POLITICAL SUPPORT-104014/18/19					
					R'000
CITY DEVELOPMENT, PURP & IDP					
Details	2020/2021				Total Project Value
	Budget	Adjustment Budget	Actual Expenditure	Variances to Adjusted Budget %	
Total All	N/A	N/A	N/A	N/A	
Project A;	N/A	N/A	N/A	N/A	
Project B	N/A	N/A	N/A	N/A	
Project C	N/A	N/A	N/A	N/A	
Project D	N/A	N/A	N/A	N/A	

STRATEGIC PLANNING POLICY OBJECTIVES TAKEN FROM THE IDP

STRATEGIC PLANNING														
OP REFERENCE	PERFORMANCE REPORTING 2019/2020 FY - ANNUAL PROGRESS REPORT			OP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	BASELINE / STATUS QUO	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL 2019/2020 FY PROGRESS REPORT							ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)					ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
SP 01	Signing of MOA between Msunduzi Municipality & SACN facilitated by the 31st of December 2019	Signing of MOA between Msunduzi Municipality & SACN facilitated by the 31st of December 2019	3 (100% - 129%)	SP 01	NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT	Increased institutional capacity and promote transformation	MFMA compliance Requirement	5 x Strategic Planning sessions to guide municipal priorities and budget coordinated by the 30th of June 2021 (1. Mid-Year Strategic Planning session, 2. Mid-Year Assessment Treasury Visit, 3. Councillor project performance feedback session, 4. Strategic Planning Session for the new Financial Year, 5. National Treasury Budget benchmarking Exercise)	5 x Strategic Planning sessions to guide municipal priorities and budget coordinated by the 30th of June 2021 (1. Mid-Year Strategic Planning session, 2. Mid-Year Assessment Treasury Visit, 3. Councillor project performance feedback session, 4. Strategic Planning Session for the new Financial Year, 5. National Treasury Budget benchmarking Exercise)	3 (100% - 129%)	N/A	N/A	N/A	Agendas, Invites, Minutes, Registers and Presentations
	N/A	N/A	N/A				N/A	N/A	N/A	N/A	N/A	N/A	N/A	
SP 02	4 x Quarterly reports prepared and submitted to SMC on the Inspections conducted in the 19/20 FY for by-law infringements within the CBD by the 30th of June 2020	2 x Quarterly reports prepared and submitted to SMC on the Inspections conducted in the 19/20 FY for by-law infringements within the CBD by the 30th of June 2020	1 (69% & below)	SP 02	NKPA 1 - MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT	Increased institutional capacity and promote transformation	Ad-hoc budget and project planning by business units	4 x Technical Budget Steering Committee meetings coordinated by the 30th of June 2021	4 x Technical Budget Steering Committee meetings coordinated by the 30th of June 2021	3 (100% - 129%)	N/A	N/A	N/A	Agendas, Invites, Minutes and Registers
	N/A	N/A	N/A				N/A	N/A	N/A	N/A	N/A	N/A	N/A	

STRATEGIC PLANNING														
OP REFERENCE	PERFORMANCE REPORTING 2019/2020 FY - ANNUAL PROGRESS REPORT			OP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	BASELINE / STATUS QUO	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL 2019/2020 FY PROGRESS REPORT							ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)					ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
SP 03	4 x reports prepared & submitted to SMC on the outcomes of engagements with potential funders by the 30th of June 2020	2 x reports prepared & submitted to SMC on the outcomes of engagements with potential funders by the 30th of June 2020	1 (69% & below)	SP 03	NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION	Integrated Development Planning	1 x IDP Review conducted in 2020/2021	1 x IDP Review 2021/2022 FY completed by the 31st of May 2021	1 x IDP Review 2021/2022 FY completed by the 30th of June 2021	1 (69% & below)	The MM requested the IDP 21/22 FY not be submitted with the Budget at the end of May 21 to Council for approval.	The KPI will be amended in the 21/22 FY Operational Plan of the Strategic Planning unit to accommodate the June deadline annually	21/22 FY - Completed	Final IDP 21/22 FY, Council Agenda & Minutes
	N/A	N/A	N/A				250,000		.					
SP 04	1 x IDP Review 2020/2021 FY completed and submitted to Council for Approval by the 31st of May 2020	1 x IDP Review 2020/2021 FY completed and submitted to Council for Approval on the 24th of June 2020	2 (70% - 99%)	SP 04	NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION	Integrated Development Planning	1 x IDP/Budget/PMS Process plan developed and submitted to SMC for approval and onwards submission to CoGTA in 2020/2021	Draft IDP/Budget/PMS Process plan 2020/2021 FY developed and submitted to SMC for approval and onwards submission to CoGTA by the 31st of August 2020	Draft IDP/Budget/PMS Process plan 2021/2022 FY developed and submitted to SMC for approval and onwards submission to CoGTA by the 31st of August 2020	3 (100% - 129%)	N/A	N/A	N/A	IDP/Budget/PMS Process plan 2021/2022 FY developed and submitted to SMC, SMC Agenda, SMC Minutes, Cogta Acknowledgement of Receipt, CogTA comments on plan
	N/A	N/A	N/A				150000.00	N/A	N/A	N/A	N/A	N/A	N/A	N/A

COMMENT ON THE PERFORMANCE OF STRATEGIC PLANNING OVERALL

The Strategic planning unit has undertaken various initiatives to support increased institutional capacity and promote transformation through Strategic Planning sessions and workshops. These workshops were held with the political and the administrative ambit. Further, to assist with the financial challenges, a tender for fundraising was instituted by the unit. The fundraising tender is an ongoing tender with the aim of targeting investors to fund projects of the city. The tender also calls for proposals from investors to establish innovative methods of addressing infrastructural challenges. The unit has several vacancies and this is being attended to as posts where advertised and will be filled in the 21/22 FY.

6.5 POLITICAL SUPPORT

INTRODUCTION TO POLITICAL SUPPORT

The Political Support Office is made up of a five sub units which are Mayor's Office, MPAC Office, Office of the Speaker & Chief Whip, VIP protection and Youth Office. The Political Support office prioritized providing administrative support to the Mayor with the waste management campaign. The office also developed and implemented a special Programme Calendar. To ensure that there is stability administratively a priority to ensure that the Accounting officer was also appointed during financial year. Weekly service delivery monitoring meeting were established and progress reports from management were required. The Rapid Response Task team was also introduced to deal with specific service delivery issues and while being proactive in dealing with possible service delivery protests. Performance meetings were scheduled with ward councillors that had poorly functional wards as per the COGTA assessments.

ORGANIZATIONAL UNITS WITHIN POLITICAL SUPPORT

MAYORALTY

Developed and Implemented the mayoral Special Programmes calendar which focused on working with provincial and National Government departments in supporting the people of the Province. The Office implemented programmes which relate to Women's month, People living with Disability's and the School development programme.

OFFICE OF THE MPAC CHAIR

The MPAC Office exercised oversight over the executive functionaries of council and ensured good governance in the municipality. This included oversight over the municipal entity. The MPAC Office also produced the oversight report on the Annual Report to ensure accurate reporting.

OFFICE OF THE SPEAKER AND CHIEF WHIP

The Office of the Speaker ensured that the ward committee system is supported with the necessary resource. Although there needs to be improvements in this regards the speaker's office ensure that the community is addressed with regards to service delivery challenges.

VIP PROTECTION

The VIP Protection unit deals with the Safety and protection of the political principles and ensure that the vehicles of the principles are kept clean and well maintained. The unit also plans specific trip details and ensures a security sweep is done for the principles for specific high risk meetings.

YOUTH DEVELOPMENT

The Youth Development Office worked in a cooperative and coordinated manner with other youth agency in implementing youth programme and services. The youth were assisted with access to internet and provided with assistance with regards to CAO applications to High education institutions. Youth Learnerships were undertaken in partnership with other agency at the youth centre,

OFFICE OF THE SPEAKER

PUBLIC ACCOUNTABILITY AND PARTICIPATION

OVERVIEW OF PUBLIC ACCOUNTABILITY AND PARTICIPATION

In the promotion of public accountability and participation members of the public are invited to attend all meetings of the Council and its committees. Another mechanism of public participation is conducted through Mayoral Budget and Integrated Development Plan (IDP) Izimbizo's. These are held prior to developing the draft budget in order to provide feedback to the community the implementation of projects in the current financial year and to illicit the needs of the community in order to provide input for the new financial year. A second Izimbizo is held once the draft budget has been developed in order to inform the public of key elements in the proposed budget and illicit responses thereto. The Section below provides an outline of further mechanisms which the municipality utilizes as a mean of public participation.

WARD COMMITTEES

Section 74 of the Municipal Structures Act, and regulation 5 of the Government Gazette No. 27699 Ward Committee, state that Ward Committees may have powers and functions delegated to them (which are essentially advisory in nature) in terms of S59 of the Municipal Systems Act

A ward committee may also make recommendations on any matter affecting its ward to the ward councillor or through the ward councillor to the local council.

SERVICE STATISTICS FOR POLITICAL SUPPORT

PUBLIC MEETINGS

In total 259 ward committee meetings were held and 139 community (public) meetings were held, broken down as follows:

MSUNDUZI MUNICIPALITY COUNCILLOR'S DISCLOSURE & DECLARATION OF INTERESTS 2019/ 2020 FINANCIAL YEAR

NAME & SURNAME	DESIGNATION	DATE OF DISCLOSURE & DECLARATION	SHARES & SECURITIES IN ANY COMPANY (YES/NIL)	MEMBERSHIP OF ANY CLOSED CORPORATION (YES/NIL)	INTERESTS IN ANY TRUST (YES/NIL)	DIRECTORSHIPS (YES/NIL)	PARTNERSHIPS (YES/NIL)	FINANCIAL INTERESTS IN ANY BUSINESS UNDERTAKING (YES/NIL)	ADDITIONAL INTERESTS			
									EMPLOYED (YES/NO)	OWNERSHIP / INTEREST IN PROPERTIES (YES/NIL)	PENSION (YES/NIL)	SUBSIDY / GRANT / SPONSORSHIP (YES/NIL)
Jabulisile Joyce Ngubo	Ward Councillor	06-Jan-20	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	YES
Blessing Sbusiso Mtshali	Ward Councillor	29-07-2020	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Madlala Linda Linford	Ward Councillor - EXCO	29-07-2020	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Hamilton Mlungisi Zondi	Ward Councillor	29-07-2020	YES	NIL	NIL	YES	NIL	YES	NIL	YES	NIL	NIL
Nkosinathi Maxwell Mbanjwa	Ward Councillor	29-07-2020	NIL	NIL	NIL	NIL	NIL	NIL	YES	NIL	NIL	NIL
Snothi Raphael Mhlongo	Ward Councillor	29-07-2020	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Sandile Duncan Ngubane	Ward Councillor	29-07-2020	YES	YES	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Makhosazane Precious Zondo	Ward Councillor	29-07-2020	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL

NAME & SURNAME	DESIGNATION	DATE OF DISCLOSURE & DECLARATION	SHARES & SECURITIES IN ANY COMPANY (YES/NIL)	MEMBERSHIP OF ANY CLOSED CORPORATION (YES/NIL)	INTERESTS IN ANY TRUST (YES/NIL)	DIRECTORSHIPS (YES/NIL)	PARTNERSHIPS (YES/NIL)	FINANCIAL INTERESTS IN ANY BUSINESS UNDERTAKING (YES/NIL)	ADDITIONAL INTERESTS			
									EMPLOYED (YES/NO)	OWNERSHIP / INTEREST IN PROPERTIES (YES/NIL)	PENSION (YES/NIL)	SUBSIDY / GRANT / SPONSORSHIP (YES/NIL)
Nontobeko Khumalo	Ward Councillor	29-07-2020	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Nkosinathi Chasewell Nhlakanipho Gambu	Ward Councillor	29-07-2020	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Madonda Innocent Siphon	Ward Councillor	29-07-2020	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Majola Terence Sboniso	Ward Councillor	29-07-2020	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Gladness Sibongile Mncwango	Ward Councillor	29-07-2020	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Thabiso Patrick Molefe	Ward Councillor	29-07-2020	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Jabulani Nene	Ward Councillor	29-07-2020	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Zuma Bhekabantu Michael	Ward Councillor	29-07-2020	NIL	NIL	NIL	NIL	NIL	YES	NIL	NIL	NIL	NIL

NAME & SURNAME	DESIGNATION	DATE OF DISCLOSURE & DECLARATION	SHARES & SECURITIES IN ANY COMPANY (YES/NIL)	MEMBERSHIP OF ANY CLOSED CORPORATION (YES/NIL)	INTERESTS IN ANY TRUST (YES/NIL)	DIRECTORSHIPS (YES/NIL)	PARTNERSHIPS (YES/NIL)	FINANCIAL INTERESTS IN ANY BUSINESS UNDERTAKING (YES/NIL)	ADDITIONAL INTERESTS			
									EMPLOYED (YES/NO)	OWNERSHIP / INTEREST IN PROPERTIES (YES/NIL)	PENSION (YES/NIL)	SUBSIDY / GRANT / SPONSORSHIP (YES/NIL)
Sithole Thamsanqa Wonderboy	Ward Councillor	29-07-2020	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Mabhungu Moses Mkhize	Ward Councillor	29-07-2020	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Ndawonde Caiphas	Ward Councillor	29-07-2020	YES	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Nelisiwe Zanele Ndlovu	Ward Councillor	29-07-2020	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Bhekithemba Mtuza Mkhize	Ward Councillor	29-07-2020	NIL	YES	NIL	NIL	NIL	NIL	NIL	YES	NIL	YES
Xolani Ellington Ngongoma	Ward Councillor	06-May-20	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Phungula Bernard Dumisani	Ward Councillor	29-07-2020	NIL	NIL	NIL	NIL	NIL	NIL	YES	NIL	NIL	NIL
Prudence Nokuthula Msimang	Ward Councillor	29-07-2020	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Ross Bryn Strachan	Ward Councillor	29-07-2020	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL

NAME & SURNAME	DESIGNATION	DATE OF DISCLOSURE & DECLARATION	SHARES & SECURITIES IN ANY COMPANY (YES/NIL)	MEMBERSHIP OF ANY CLOSED CORPORATION (YES/NIL)	INTERESTS IN ANY TRUST (YES/NIL)	DIRECTORSHIPS (YES/NIL)	PARTNERSHIPS (YES/NIL)	FINANCIAL INTERESTS IN ANY BUSINESS UNDERTAKING (YES/NIL)	ADDITIONAL INTERESTS			
									EMPLOYED (YES/NO)	OWNERSHIP / INTEREST IN PROPERTIES (YES/NIL)	PENSION (YES/NIL)	SUBSIDY / GRANT / SPONSORSHIP (YES/NIL)
Manqoba Ngubo	Ward Councillor	06-Aug-20	YES	NIL	NIL	NIL	NIL	NIL	YES	NIL	NIL	NIL
Magalingam (Lucky) Naicker	Ward Councillor	29-07-2020	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Spha Sydney Madlala	Ward Councillor	29-07-2020	NIL	NIL	NIL	NIL	NIL	YES	YES	NIL	NIL	NIL
Sunny Niadoo	Ward Councillor	29-07-2020	NIL	YES	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Roosana Ahmed	Ward Councillor	29-07-2020	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Shawn Adkins	Ward Councillor	29-07-2020	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Suraya Reddy	Ward Councillor	29-07-2020	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Mike Ismail Amod	Ward Councillor	29-07-2020	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Sandile Wellington Dlamini	Ward Councillor	29-07-2020	NIL	YES	NIL	NIL	NIL	YES	NIL	YES	NIL	NIL

NAME & SURNAME	DESIGNATION	DATE OF DISCLOSURE & DECLARATION	SHARES & SECURITIES IN ANY COMPANY (YES/NIL)	MEMBERSHIP OF ANY CLOSED CORPORATION (YES/NIL)	INTERESTS IN ANY TRUST (YES/NIL)	DIRECTORSHIPS (YES/NIL)	PARTNERSHIPS (YES/NIL)	FINANCIAL INTERESTS IN ANY BUSINESS UNDERTAKING (YES/NIL)	ADDITIONAL INTERESTS			
									EMPLOYED (YES/NO)	OWNERSHIP / INTEREST IN PROPERTIES (YES/NIL)	PENSION (YES/NIL)	SUBSIDY / GRANT / SPONSORSHIP (YES/NIL)
Winterbach Ludwig Johann	Ward Councillor	29-07-2020	YES	NIL	NIL	NIL	NIL	NIL	NIL	YES	YES	NIL
Sandra Patricia Lyne	Ward Councillor	29-07-2020	NIL	NIL	NIL	NIL	NIL	NIL	NIL	YES	NIL	YES
Godman Nkosivelile Dlamini	Ward Councillor	29-07-2020	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Ignatia Thandiwe Madondo	Ward Councillor	29-07-2020	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Mzimkhulu Thebolla	PR Councillor - The Mayor	19-08-2020	NIL	Sohalla Investments cc(inactive), GTNG Trading 2010 CC(inactive)	NIL	NIL	NIL	Beta Chemicals Primary Co-op	NIL	YES	NIL	NIL
Manilal Inderjit	PR Councillor - Deputy Mayor	2020/11/03	YES	NIL	NIL	NIL	NIL	NIL	NIL	YES	NIL	NIL
Eunice Nomagugu Majola	PR Councillor - The Speaker	2020/02/06	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Micheal Vusimuzi Ntshangase	PR Councillor - The Chief Whip	2020/11/03	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL

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									EMPLOYED (YES/NO)	OWNERSHIP / INTEREST IN PROPERTIES (YES/NIL)	PENSION (YES/NIL)	SUBSIDY / GRANT / SPONSORSHIP (YES/NIL)
Ntuthuko Ntshangase	PR Councillor - EXCO	29-07-2020	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Gugu Mary-Jane Dladla/Ngubane	PR Councillor - EXCO	29-07-2020	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Zanele Ngcobo	PR Councillor - EXCO											
Glenn Robert McArthur	PR Councillor - EXCO	29-07-2020	NIL	NIL	YES	NIL	NIL	NIL	YES	YES	NIL	
Jerome Sibongiseni Majola	PR Councillor - EXCO	29-07-2020	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Dennis T Ntombela	PR Councillor - EXCO	29-07-2020	NIL	NIL	NIL	NIL	NIL	NIL	YES	NIL	NIL	NIL
Dorcas Sibongile Mkhize	PR Councillor	29-07-2020	NIL	YES	YES	YES	YES	NIL	YES	YES	YES	YES
Ambrosia Sibongile Dlamini	PR Councillor	29-07-2020	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Philiisiwe Sithole	PR Councillor	2020/05/06	NIL	NIL	NIL	YES	NIL	NIL	NIL	NIL	NIL	NIL

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									EMPLOYED (YES/NO)	OWNERSHIP / INTEREST IN PROPERTIES (YES/NIL)	PENSION (YES/NIL)	SUBSIDY / GRANT / SPONSORSHIP (YES/NIL)
Thobani Reginald Zuma	PR Councillor	28-07-2020	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Tholakele Ignatia Dlamini	PR Councillor	2020/08/06	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Mary Schalkwyk	PR Councillor	2020/08/06	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Mduduzi Jerome Njilo	PR Councillor	29-07-2020	NIL	YES	YES	YES	YES	NIL	NIL	YES	NIL	NIL
Rachel Soobiah	PR Councillor	29-07-2020	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Sphamandla Dennis Khumalo	PR Councillor	29-07-2020	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	YES	NIL
Mehmood-UL-Hassan Oumar	PR Councillor	29-07-2020	NIL	YES	NIL	NIL	NIL	NIL	YES	NIL	NIL	NIL
Mansizwa Simon Sokhela	PR Councillor	29-07-2020	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Nelisiwe Jannet Gwala	PR Councillor	29-07-2020	NIL	YES	NIL	YES	NIL	NIL	NIL	NIL	NIL	NIL

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									EMPLOYED (YES/NO)	OWNERSHIP / INTEREST IN PROPERTIES (YES/NIL)	PENSION (YES/NIL)	SUBSIDY / GRANT / SPONSORSHIP (YES/NIL)
Najmah B. Ahmed	PR Councillor	29-07-2020	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Ningi J Zungu	PR Councillor	29-07-2020	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Kathrine Malindi Ngcobo	PR Councillor	29-07-2020	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
William Francis Lambert	PR Councillor	29-07-2020	YES	NIL	NIL	YES	YES	NIL	NIL	NIL	NIL	NIL
Bongumusa Cyril Nhlabathi	PR Councillor	29-07-2020	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Sbusiso Chonco	PR Councillor	29-07-2020	YES	YES	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Regina Zinhle Ngubo	PR Councillor	29-07-2020	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	YES
Zuma Bukelani E	PR Councillor	2020/08/06	NIL	YES	YES	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Dolo Phillip Zondi	PR Councillor	28-07-2020	NIL	NIL	NIL	NIL	NIL	NIL	NIL	YES	YES	NIL

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									EMPLOYED (YES/NO)	OWNERSHIP / INTEREST IN PROPERTIES (YES/NIL)	PENSION (YES/NIL)	SUBSIDY / GRANT / SPONSORSHIP (YES/NIL)
S'fiso Derrick Nene	PR Councillor	28-07-2020	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Sokhela Balozile C	PR Councillor	28-07-2020	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Mthethwa Ephram Mpula	PR Councillor	2020/05/06	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Rajdave Sivnath	PR Councillor	28-07-2020	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Prince Dumisa Duma	PR Councillor	28-07-2020	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Nomalady E. Dlela	PR Councillor	28-07-2020	NIL	NIL	NIL	NIL	NIL	NIL	YES	NIL	YES	NIL
Rienus Niemand	PR Councillor	2020/05/06	NIL	YES	NIL	NIL	NIL	NIL	NIL	YES	NIL	NIL
Mohamed Salim Goga	PR Councillor	28-07-2020	NIL	NIL	NIL	NIL	NIL	NIL	NIL	YES HOME	YES	NIL

SERVICE STATISTICS FOR COUNCIL & EXECUTIVE

DESCRIPTION	NUMBER
Total number of Councillors	77
Total number of Executive Committee Members	10
Total number of Wards	39
Total number of Ward committee meetings	259
Total number of Community (public) meetings	139

LIST OF COUNCIL COMMITTEES 2020/2021 FY

- FULL COUNCIL (FC)
- EXECUTIVE COMMITTEE (EXCO)
- INFRASTRUCTURE SERVICES PORTFOLIO (ISP)
- COMMUNITY SERVICES PORTFOLIO (CSP)
- CORPORATE SERVICES PORTFOLIO (CORSP)
- SUSTAINABLE DEVELOPMENT AND CITY ENTERPRISES PORTFOLIO (SD&CEP)
- MUNICIPAL PUBLIC ACCOUNTS COMMITTEE (MPAC)

COUNCILLOR ATTENDANCE AT FULL COUNCIL MEETINGS 2020/2021 FINANCIAL YEAR

NAME & SURNAME	NO. OF FULL COUNCIL MEEETINGS SET	NO. OF FULL COUNCIL MEETINGS ATTENDED FULL COUNCIL	FULL COUNCIL APOLOGIES	DAYS OF ABSENT AT FULL COUNCIL
Speaker: NE Majola	19	18	NIL	NIL
Chief Whip: Ntshangase V	19	19	NIL	NIL
Mayor: Thebolla MM	19	17	2	NIL
Deputy Mayor: Inderjit M	19	16	1	2
Adkins S	19	18	1	NIL
Ahmed NB	19	19	YES	NIL
Ahmed R	19	19	NIL	NIL
Amrod MI	19	19	NIL	NIL
Chonco SD	19	1	YES	YES
Dlamini AS	19	16	NIL	3
Dlamini GN	19	19	NIL	NIL
Dlamini SW	19	19	NIL	NIL
Dlamini TI	19	18	1	NIL
Dlela NE	19	19	NIL	NIL
Duma PD	19	19	NIL	NIL
Gambu NCN	19	17	NIL	2
Gwala NJ	19	19	NIL	NIL

NAME & SURNAME	NO. OF FULL COUNCIL MEEETINGS SET	NO. OF FULL COUNCIL MEETINGS ATTENDED FULL COUNCIL	FULL COUNCIL APOLOGIES	DAYS OF ABSENT AT FULL COUNCIL
Khumalo NY	19	19	NIL	NIL
Khumalo SD	19	19	NIL	NIL
Lambert WF- JP	19	18	NIL	1
Lyne SP	19	19	NIL	NIL
Madlala LL	19	19	NIL	YES
Madlala SS	19	19	NIL	NIL
Madonda SI	19	19	NIL	NIL
Madondo IT	19	17	NIL	2
Majola JS	19	19	NIL	NIL
Majola ST	19	11	2	6
Mbanjwa NM	19	19	NIL	NIL
McArthur GR	19	18	1	NIL
Mkhize DS	19	19	NIL	NIL
Gwala NJ	19	19	NIL	NIL
Khumalo NY	19	19	NIL	NIL
Mkhize M	19	19	NIL	NIL
Mkhize MB	19	15	2	2
Mhlongo SR	19	18	1	NIL

NAME & SURNAME	NO. OF FULL COUNCIL MEEETINGS SET	NO. OF FULL COUNCIL MEETINGS ATTENDED FULL COUNCIL	FULL COUNCIL APOLOGIES	DAYS OF ABSENT AT FULL COUNCIL
Mncwango GS	19	19	NIL	NIL
Molefe TP	19	19	NIL	NIL
Mpulo ME	19	16	3	NIL
Mtshali BS	19	19	NIL	NIL
Msimang PN	19	19	NIL	NIL
Naicker M	19	19	NIL	NIL
Naidoo S	19	19	NIL	NIL
Ndawonde SC	19	19	NIL	NIL
Ndlovu NZ	19	19	NIL	NIL
Nene J	19	18	NIL	1
Nene SD	19	11	2	6
Ngcobo KM	19	19	NIL	NIL
Ngcobo ZP	19	19	NIL	NIL
Ngongoma XE	19	19	NIL	NIL
Ngubane SD	19	19	NIL	NIL
Ngube GM	19	19	NIL	NIL
Ngubo JJ	19	19	NIL	NIL
Ngubo M	19	19	NIL	NIL

NAME & SURNAME	NO. OF FULL COUNCIL MEEETINGS SET	NO. OF FULL COUNCIL MEETINGS ATTENDED FULL COUNCIL	FULL COUNCIL APOLOGIES	DAYS OF ABSENT AT FULL COUNCIL
Niemand R	19	19	NIL	NIL
Njilo MJ	19	19	NIL	NIL
Ntombela TD	19	19	NIL	NIL
Ntshangase N	19	19	NIL	NIL
Oumar MH	19	19	NIL	NIL
Phungula DB	19	19	NIL	NIL
Reddy S	19	19	YES	NIL
Schakwyk M	19	16	3	NIL
Singh M	19	19	NIL	NIL
Sithole P	19	19	NIL	NIL
Sithole TW	19	19	NIL	NIL
Sivnath R	19	19	NIL	NIL
Sokhela BC	19	19	NIL	NIL
Sokhela MS	19	19	NIL	NIL
Soobiah R	19	19	NIL	NIL
Strachan RB	19	18	1	NIL
Winterbach LJ	19	18	1	NIL
Zondi DP	19	10	NIL	NIL

NAME & SURNAME	NO. OF FULL COUNCIL MEEETINGS SET	NO. OF FULL COUNCIL MEETINGS ATTENDED FULL COUNCIL	FULL COUNCIL APOLOGIES	DAYS OF ABSENT AT FULL COUNCIL
Zondo MP	19	19	NIL	NIL
Zuma BE	19	17	NIL	2
Zuma MB	19	18	NIL	1
Zuma TR	19	17	1	1
Zungu NJ	19	18	1	NIL

EMPLOYEE INFORMATION – POLITICAL SUPPORT

EMPLOYEE: POLITICAL SUPPORT					
MAYORALTY, OFFICE OF THE MPAC CHAIR, OFFICE OF THE SPEAKER AND CHIEF WHIP, VIP PROTECTION & YOUTH DEVELOPMENT					
Job Level	2019/2020	2020/2021			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents No.)	Vacancies (as a % of total posts) %
T01–T03	3	4	3	1	25
T04-T08	57	72	66	6	8
T09–T13	5	19	7	12	63
T14-T18	4	7	5	2	29
T19-T22	0	0	0	0	0
T23-T25	0	0	0	0	0
Total	69	102	81	21	21

FINANCIAL PERFORMANCE – POLITICAL SUPPORT

FINANCIAL PERFORMANCE 2020/2021: POLITICAL SUPPORT					
					R'000
MAYORALTY, OFFICE OF THE MPAC CHAIR, OFFICE OF THE SPEAKER AND CHIEF WHIP, VIP PROTECTION & YOUTH DEVELOPMENT					
Details	2019/2020	2020/2021			
	Actual	Original Budget	Adjustment Budget	Actual	Variances to Adjusted Budget %
Total Operational Revenue (excl. tariffs)					
Expenditure:					
Employees		69 416		67 924	0%
Repairs and Maintenance		1 507	295	1 136	-285.1%
Other		7 660	189	3 084	-1 531%
Total Operational Expenditure		78 583	484	72 144	-14 805%
Net operational (Service) Expenditure					
Variances are calculated as follows: Actual expenditure – Adjusted budget divided by the Adjusted budget x 100.					

CAPITAL EXPENDITURE – POLITICAL SUPPORT

CAPITAL EXPENDITURE 2020/2021: POLITICAL SUPPORT					
					R'000
MAYORALTY, OFFICE OF THE MPAC CHAIR, OFFICE OF THE SPEAKER AND CHIEF WHIP, VIP PROTECTION & YOUTH DEVELOPMENT					
Details	2020/2021				
	Budget	Adjustment Budget	Actual Expenditure	Variances to Adjusted Budget %	Total Project Value
Total All					
Project A: Computers	1 300		1 135	0%	
Project B: Furniture	149	3 740		100%	
Project C					
Project D					

POLITICAL SUPPORT POLICY OBJECTIVES TAKEN FROM THE IDP

POLITICAL SUPPORT COMAPRISON															
SDBIP REFERENCE	ANNUAL 19/20 FY PROGRESS REPORT			SDBIP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	BASELINE / STATUS QUO	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)						ANNUAL 20/21 FY PROGRESS REPORT						
									ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
PSO1	Annual calendar of events for Mayoral Special Programmes 2020/2021 financial year submitted to SMC for approval by the 31st of May 2020	Annual calendar of events for Mayoral Special Programmes 2020/2021 financial year submitted to SMC for approval by the 31st of May 2020	3 (100% - 129%)	PSO1	NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION	Mayoral Special Programmes	Annual calendar of events for Mayoral Special Projects 2021/2022 financial year submitted to SMC	Annual calendar of events for Mayoral Special Projects 2020/2021 financial year submitted to SMC for approval by the 31st of May 2020	Annual calendar of events for Mayoral Special Projects 2021/2022 financial year submitted to SMC for approval by the 31st of May 2021	Annual calendar of events for Mayoral Special Projects 2021/2022 financial year submitted to SMC for approval by the 31st of May 2021	3 (100% - 129%)	N/A	N/A	N/A	N/A
	N/A	N/A	N/A						N/A	N/A	N/A	N/A	N/A		
PSO2	100% implementation of All Mayoral Special Programmes for 2019/2020 FY within available budget and stipulated timeframes as per the approved	100% implementation of All Mayoral Special Programmes for 2019/2020 FY within available budget and stipulated timeframes as per the approved	1 (69% & below)	PSO2	NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION	Mayoral Special Programmes	100% implementation of all Mayoral Special Programmes for 2020/2021 FY	100% implementation of all Mayoral Special Programmes in 2019/2020 within budgeted amount	100% implementation of all Mayoral Special Programmes for 2020/2021 FY within available budget and stipulated timeframes as per the approved	100% implementation of all Mayoral Special Programmes for 2020/2021 FY within available budget and stipulated timeframes as per the approved	3 (100% - 129%)	N/A	N/A	N/A	N/A

POLITICAL SUPPORT COMAPRISON

POLITICAL SUPPORT COMAPRISON															
SDBIP REFERENCE	ANNUAL 19/20 FY PROGRESS REPORT			SDBIP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	BASELINE / STATUS QUO	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)						ANNUAL 20/21 FY PROGRESS REPORT						
									ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
	calendar of events by the 30th of June 2020	calendar of events by the 30th of June 2020							calendar of events by the 30th of June 2021	calendar of events by the 30th of June 2021					
	10,600,000	N/A	N/A						1,000,000	N/A	N/A	N/A	N/A	N/A	N/A
PSO3	12 x monthly reports on Mayoral Special Projects for the 2019/2020 FY submitted to the Operational Management Committee by the 30th of June 2020	12 x monthly reports on Mayoral Special Projects for the 2019/2020 FY submitted to the Operational Management Committee by the 30th of June 2020	3 (100% - 129%)	PSO3	NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION	Mayoral Special Programmes	12 x monthly reports on Mayoral Special Projects submitted	Monthly report on Mayoral Special Projects submitted to the Operational Management Committee in the 2019/2020 FY	12 x monthly reports on Mayoral Special Projects submitted to the Strategic Management Committee by the 30th of June 2021	12 x monthly reports on Mayoral Special Projects submitted to the Strategic Management Committee by the 30th of June 2021	3 (100% - 129%)	N/A	N/A	N/A	12 Monthly reports
	N/A	N/A	N/A						N/A	N/A	N/A	N/A	N/A	N/A	N/A

POLITICAL SUPPORT COMAPRISON

POLITICAL SUPPORT COMAPRISON															
SDBIP REFERENCE	ANNUAL 19/20 FY PROGRESS REPORT			SDBIP REFERENCE	NATIONAL KEY PERFORMANCE AREA	PROGRAMME	INDICATOR	BASELINE / STATUS QUO	PERFORMANCE REPORTING 2020/2021 FY - ANNUAL 20/21 FY PROGRESS REPORT						
	ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)						ANNUAL 20/21 FY PROGRESS REPORT						
									ANNUAL TARGET	ANNUAL ACTUAL	ACTUAL (1,2,3,4,5, Not Applicable)	REASON FOR DEVIATION	CORRECTIVE MEASURE	TIMEFRAME TO IMPLEMENT CORRECTIVE MEASURES	SOURCE DOCUMENT
PSO4	12 x Monthly Reports on the Back to Basics National CoGTA Template 19/20 FY prepared and submitted to Council by the 30th of June 2020	12 x monthly reports on Mayoral Special Projects for the 2019/2020 FY submitted to the Operational Management Committee by the 30th of June 2020	3 (100% - 129%)	PSO4	NKPA 5 - GOOD GOVERNANCE & PUBLIC PARTICIPATION	Mayoral Special Programmes	12 x Monthly Reports on the Back to Basics National CoGTA Template	12 x Monthly Reports on the Back to Basics National CoGTA Template 19/20 FY prepared and submitted to Council	12 x Monthly Reports on the Back to Basics National CoGTA Template 20/21 FY prepared and submitted to Council by the 30th of June 2021	12 x Monthly Reports on the Back to Basics National CoGTA Template 20/21 FY prepared and submitted to Council by the 30th of June 2021	3 (100% - 129%)	N/A	N/A	N/A	N/A
	N/A	N/A	N/A						N/A	N/A	N/A	N/A	N/A		

COMMENT ON THE PERFORMANCE OF POLITICAL SUPPORT OVERALL

Due to the Covid 19 Pandemic it was very difficult to schedule Ward and Community Meetings due to the the restrictions that were placed on the number of people allowed into meetings. Councillors also had to resort to holding meetings via MS Teams which would also prove to be problematic due to network and data challenges.

COMPONENT G: SAFE CITY – MUNICIPAL ENTITY – MSUNDUZI MUNICIPALITY

SAFE CITY MSUNDUZI NPC

Reg. No. 2010/024562/08

CHAIRPERSON'S ANNUAL REPORT

For the year ending 30th June 2021

BACKGROUND:

Safe City Pietermaritzburg was formally constituted as an Association incorporated under section 21 of the Companies Act on 28 March 2002. Upon advice from the Intervention Team that took over Msunduzi Municipality administration, Safe City was compelled to register as a (Pty) LTD company. We were then advised to register as a Non-For-Profit Company due to tax complications and the application was approved by the Companies Intellectual Properties Commission (CIPC).

The Safe City project is a partnership which is governed by an agreement by which the Municipality would make the necessary financial resources available for the operation of the organisation as well as the capital expenditure required to extend the CCTV surveillance to other parts of the city. The Service Level Agreement (SLA) for the financial years 2021 to 2024 has been agreed upon and signed by the Municipal Manager and the Safe City Chairperson on the 24th November 2020.

MEMBERS OF THE BOARD:

The current Board of Directors has, since the inception of Safe City in 2003, performed its duties diligently in accordance with the Municipal Finance Management Act and other requirements as per the Company's Act. For most of this period, board members provided their expertise and time on a free and voluntarily basis. As Safe City is a Municipal entity performing a vital service to the community and the municipality of Msunduzi, directors serving on the Board need to have a sound knowledge and understanding of the following important aspects:

- Municipal Finance Management
- Municipal Systems Act
- Company's Act and in particular the provisions of the King IV document
- Information Technology
- Human Resource Management

- Criminal and Civil Law requirements and in particular the provisions of the Criminal Procedure Act: Act 51 of 1977
- CCTV street surveillance systems. The basic principles applied in the compilation of Operational Requirements, the Design of Street Surveillance systems and estimate costing of such systems.
 - Project Management.
 - ISO 9001 Accreditation
 - Municipal Supply Chain Management
 - Private Security Regulatory Act (PSIRA)
- Basic Conditions of Employment and Sectorial Determination 6 provisions
 - General Recognized Accounting Practice (GRAP) Standard practices
- Preparation of Budgets in accordance with Municipal Standard Chart of Accounts (MSCOA)

Name of Director	Background Details	Number of Board Meetings Attended
Ms. Z Sokhela	Trustee of BP Cascades Service Station/BP Edendale/ Louisiana Spur. Former President and current Director of PCB Former Deputy Chairperson of UMGungundlovu TVET College Served as UKZN Council member, Served as Deputy Chair of UMDM Economic and Development Agency. Board Member of Comrades Marathon, Chairperson of CMA Corporate Governance Committee Member UKZN Foundation Board of Trustees. Serves in various UKZN Committees and Currently the Chairperson of the Safe City Board of Directors	6
Mr. G Moody	Managing Executive. Aluminium Foil Converters: Bidvest Group. Currently vice chairperson of the Safe City Board of Directors	6
Mr V C Biggs	1. Retired Director: McCarthy Motors, 2. Managing member of Allison Homes, Managing member of SAVS/NCVV, Former member of BFC and 5. Founder member of Safe City.	2
Ms. R Singh	1. Bachelor of Law (LLB) 2. Master of Law (LLM- Business Law)	7

Name of Director	Background Details	Number of Board Meetings Attended
	Senior Legal Officer: KZN Dept of Human Settlements	
Dr. S Ako- Nai	<ul style="list-style-type: none"> 1. Academic: Lecturer, University of Kwazulu-Natal, PMB – Information Technology. 2. Executive Consultant: Dydx Business Technologies. 3. Academic Advocate: Institute of Directors KZN Branch and ISACA: 	6
K Basson.	<ul style="list-style-type: none"> 1. Finance Manager at the Legal Practice Council KZN Provincial Office 2. IT Specialist 	7

3: PARTNERS

Safe City considers its partnership with the following Government, Business and Community based institutions as its notable strengths.

Msunduzi Municipality:

Msunduzi Municipality is the parent entity of Safe City and provides Operational as well as Capital funding.

A Traffic Officer as well as an official from Waste Management performs duty in the Control Room on weekdays between 07:00 and 16:00. A dedicated operational desk has been made available solely for the purpose of detecting bylaw infringements such as littering and to monitor traffic flow during peak traffic hours. Requests for Waste Management to remove litter are directed and controlled by the official from Waste Management whilst the Traffic Officer directs Traffic Department responses to motor vehicle accidents, traffic congestions and traffic violations. There remains a dire need for a dedicated Municipal Response team to respond timeously to all bylaw infringements detected by Safe City. Incidents such as the posting of illegal abortions posters and littering which defaces our beautiful city are being detected on a daily basis but the response from Municipal Law Enforcement officials is not efficient in order to combat this menace. The re-introduction of Automatic Number Plate Recognition (ANPR) operations is also urgently requested as much needed revenue from outstanding traffic warrants can be collected using the Safe City surveillance system. It is estimated that more than **R11 000 000** is outstanding in traffic warrant revenue. The ANPR operations which were conducted between 2010/11 and 2013/14 recovered

R 4 378 915. Unfortunately, the ANPR operations were stopped due to Traffic Department manpower constraints.

Safe City of recent assisted with the identification of a person who stole municipal water meters in the CBD as well as the receiver of these stolen meters. Since their arrests the theft of water meters has stopped.

Safe City assisted Internal Audit with video evidence of municipal employees who submitted false claims in respect of cleaning the city at night. Safe City in conjunction with Internal Audit also monitored business premises within camera visual area who had their electricity disconnected in order to identify persons responsible for illegal re-connections.

Safe City also manages and facilitates the Disaster Management Joint Operational Centre (JOC) when it is in operation during events such as gatherings, marches, and ongoing high profile High Court cases.

South African Police Service:

Safe City has a SAPS representative present in the Control Room on a 24/7 basis, The SAPS provides Safe City with daily, weekly, and monthly crime reports which enables us to monitor our own performance as well as to compile Control Room Operational plans directing staff to focus on problematic areas. Please see para 6.2 for a detailed explanation. SAPS also provides a rapid response capability in the form of the Pietermaritzburg Police Motor Bike unit to attend to all criminal incidents detected on camera. Safe City also attends the daily Pietermaritzburg Station Crime Combat Forum (SCCF) meetings where operational matters are discussed. At these forums Safe City is also informed of forthcoming events such as gatherings and marches. This information enables us to plan the Control Room operations effectively.

National Prosecuting Authority:

Safe City enjoys a very productive relationship with the National Prosecuting Authority in Pietermaritzburg. A dedicated court has been made available to facilitate all video evidence emanating from Safe City arrests. For this purpose, Business Fighting Crime (BFC) donated a big screen and laptop to project video images during trials. It is expected from the Safe City surveillance staff to testify in all cases in which they detected and recorded criminal incidents. In this regard our staff have been complying diligently to appear in court despite the fear of intimidation.

Business Fighting Crime: (BFC)

Safe City has a permanent representative attending BFC meetings. These meetings also include the Banking Task Team – and Non-Ferrous Forum through Business Fighting Crime (BFC). Safe City retains its efficient communication with the Pietermaritzburg business sector such as the Pietermaritzburg Midlands Chamber of Business and its stakeholders. Safe City on a regular basis is invited to present crime prevention presentations to these institutions.

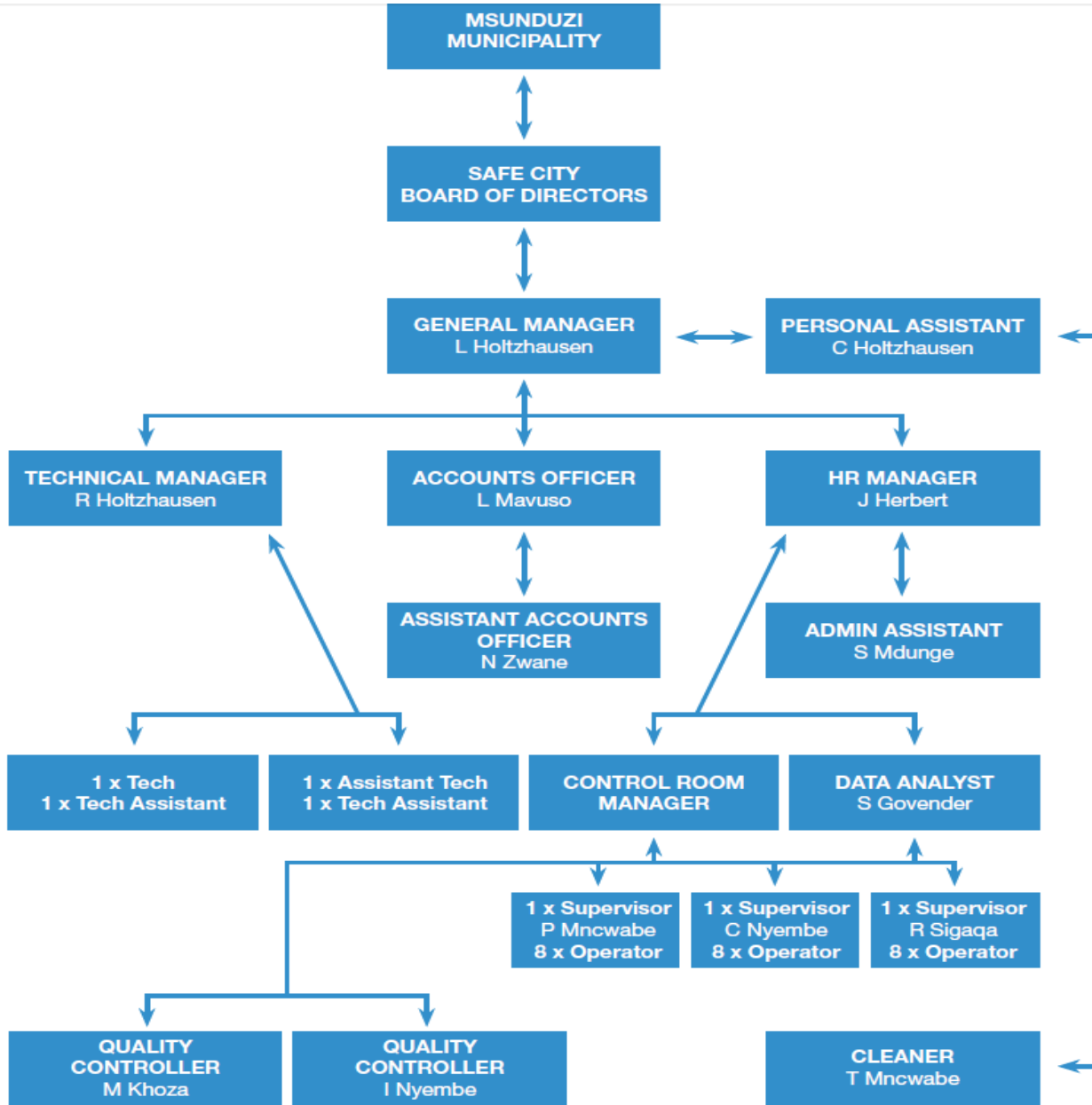
Community Police Forums.

Safe City also has a representative attending CPF meetings. We are regularly invited to present crime prevention presentations to community-based organizations. Through the CPF's we continue interacting with the various communities.

Social Media:

Safe City has also has a Facebook Page, "Safe City Msunduzi", where regular updates are being posted regarding activities or crime tendencies in the Msunduzi area which could have a negative or adverse impact on the residents or communities in our area.

STAFFING



PARTICULAR MATTERS RELATING TO THE YEAR 2020/21

Safeguarding of Priority Primary Electrical Sub Stations.

In the past Msunduzi Municipality was plagued with continuous power outages whereby primary substations would be vandalized for copper and other critical electrical gear. These outages had a crippling effect on the business and manufacturing sectors especially in the Mkodeni and Willtowton Road areas. Several businesses indicated that they intended closing down if the municipality did not take appropriate steps to curtail these power outages. During 2016/17 the amount of R6,5 million rand was allocated to Safe City whereby 98 cctv cameras were installed as in the table below. A dedicated desk has been assigned to only monitor the eight primary electrical substations 24/7. It needs, however, to be emphasized that the above installation is only phase 1 of 3 phases to ensure that all Msunduzi Priority substations are effectively safe guarded against vandalism and theft of equipment. Since the installation of CCTV cameras at these sub stations no cases of theft or vandalism have been reported.

Sub Station	Number of CCTV cameras
Riverside	19
Retief Street	17
Prince Alfred	13
Mkodeni	15
Hesketh	7
Woodburn	8
Northdale	8
Pine Street	11

Street Surveillance Cameras

Safe City have 71 street surveillance cameras located in the following areas and monitored 24/7.

Area	Number of CCTV cameras
Alan Paton	1
Northdale	4
CBD	56
Freedom Square Taxi	10

Except for the Freedom Square Taxi rank cameras, the street surveillance system can be regarded as antiquated and with the inclusion of the recording equipment needs to be upgraded as soon as possible as its operational capacity has diminished drastically. The system has been in operation on a 24/7 basis since the 1st of January 2003 and spares can no longer be obtained at reasonable prices to repair or replace crucial components.

The Public Announcement System as a Law Enforcement Tool

The PA system has been used with great success since its inception during 2013/14.

During 2020/21 the PA system has been utilized on **1091** occasions. The system is used in the following instances:

- When suspects are detected in an area, pedestrians or the public will be warned to be on the alert to secure their valuables as they might become victims of crime.
- When known suspects are observed they will be warned that they are under surveillance which in turn will reduce their opportunities to commit a crime.
- When pedestrians are observed who are not complying with Covid 19 protocols they are warned to comply with the regulations.
- When bylaw infringements such as posting of posters and illegal trading are detected the culprits will be warned to cease their activities.

Type of Announcement	Number of Occasions
General Public Warnings	625
Covid 19	369
Municipal Bylaw Infringements	97
Total	1091

CONTROL ROOM PERFORMANCE:

Core Functions:

Safe City operates on a 24/7 surveillance basis and all the Control Room functions are ISO 9001:2015 certified. The Safe City Control Room is the only street surveillance Control Room in South Africa which can boast such an accreditation.

Primary Function:

The monitoring of traffic and Municipal Bylaws such as littering, street gambling and illegal trading. Facilitating the Automatic Number Plate Recognition (ANPR) system for the execution of outstanding traffic warrants and the recovery of outstanding revenue.

- The prevention, detection, and investigation of crime.
- The maintenance of the existing CCTV system.

Advising Msunduzi Municipality on expansion of the CCTV system and Oversee the design, specification, and installation of new CCTV equipment.

Secondary Function:

Facilitating the Disaster Management JOC during marches and gatherings.

The monitoring of gatherings, marches, and events of public interest within camera visual area.

Attend meetings with the Municipality to determine possible additional services.

Liaise with Community Policing Forums, Bank Task Group and Non-Ferrous Metal Forum.

Informing the public and business community regarding current crime tendencies and advise them on crime prevention strategies.

Standard Procedure

The crime statistics for Pietermaritzburg are submitted to the Control Room every weekday morning by the SAPS Pietermaritzburg Central. These statistics together with observations made by our surveillance staff are analysed daily. An operational plan is then compiled to address any tendencies detected or for planned events. This procedure enables operators to be more crime and bylaw infringement prevention orientated. With all suspicious incidents detected the SAPS, Traffic or Waste representatives will determine the appropriate response required to address the matter.

A record is maintained of vehicle despatches as compared with incidents detected. Any non-responses by SAPS are reported to the Station Commander at the daily SCCF.

An arrest is made when the suspect is apprehended. It often happens that after an arrest has been made the complainant refuses to open a case. This tendency is very frustrating as suspects then continue to commit crimes elsewhere. The latter is then reflected as a preventable operation which counts as a success for the operator. The Station Commander of SAPS Pietermaritzburg Central has issued a station order instructing SAPS members to charge the suspects in these circumstances with the Possession of Stolen Property.

Summary of Operational Performance: 2020/21

Street Crime

Description	2019/20	2020/21
No of Incidents Detected	1385	1028
Response by SAPS Units	360	310
No Response by SAPS	41	40
SAPS Response Time	Ave 6.4 min	Ave 8.3 min
Arrests Made.	137	81
% Camera down time	Ave 0.9%	Ave 0.92%

Municipal Bylaws

Description	2019/20	2020/21
Bylaw Incidents detected	299	312
Response by Municipal Security	50	21
No Response by Municipal Law Enforcement	158	168
Ave Municipal Security Response Time	27 min	24.8 min

Traffic Bylaws

Description	2019/20	2020/21
Road Traffic Ordinance	101	87
Motor Vehicle Accidents	173	138
Response by Municipal Traffic	81	68
No Response by Municipal Traffic	12	32
Ave Municipal Traffic Response Time	18 min	14 min

Comment: The Covid 19 regulations prohibiting or limiting the sale of alcohol had a positive impact on the number of Traffic Bylaw infringements. A number of these infringements occurred during the evening when on site alcohol consumption is normally high. The strict enforcement of the curfew time frames by the SAPS also had a positive impact in this matter. In this regard Safe City regularly reported liquor outlets to the SAPS who contravened the Covid 19 regulations.

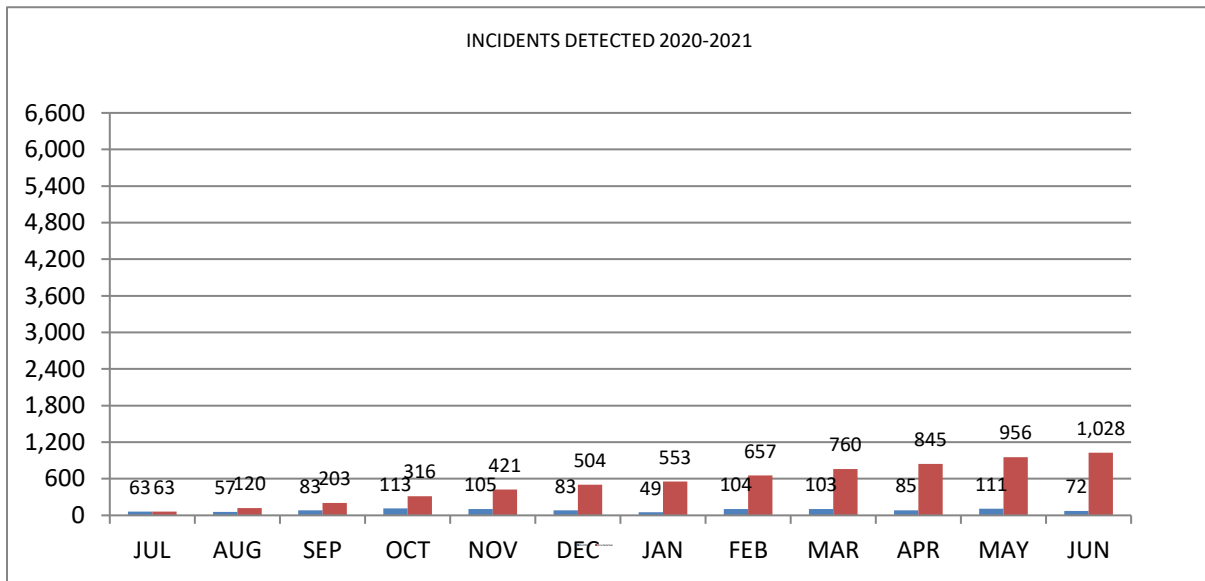
As can be seen in para 6.3.2 the response by Municipal Security is of concern. This poor response has a direct result on the effective enforcement of bylaws such as the posting of posters, playing of loud music, illegal trading and littering. If we can improve on these non-responses then our city will be more appealing for the general public to visit.

General Municipal Matters

Description	2019/20	2020/21
Fires	23	17
Water leaks	30	15
Total	55	42

Comment: All these incidents were attended to by the relevant Municipal Units.

Incidents Detected

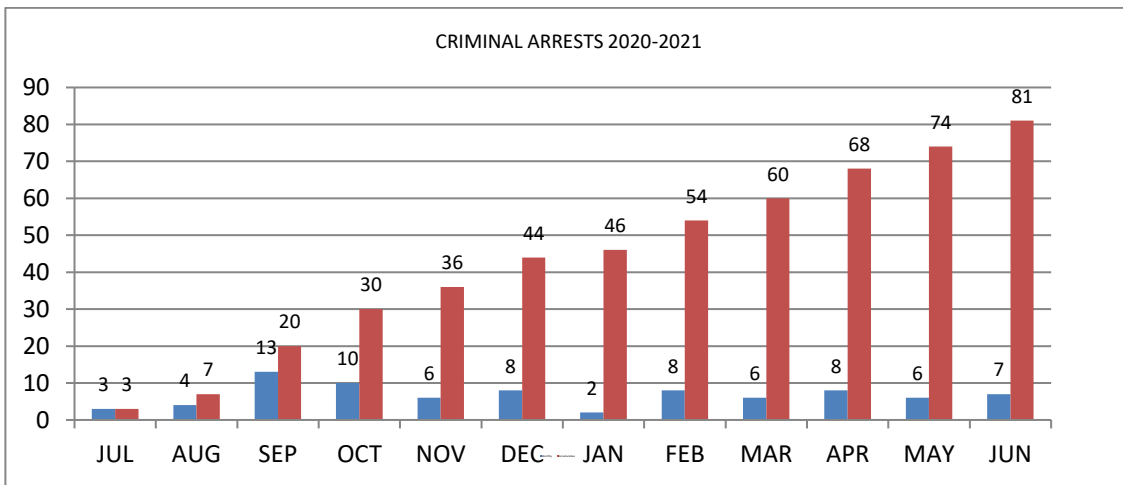


Comment: A total of **1028** incidents were detected compared to **1385** incidents the previous year. This decrease can be attributed to the drastic reduction of persons in the CBD area during the various phases of the Covid 19 lockdown.

Some of the Incidents that were detected

Type	Number
Fighting	348
Suspicious behaviour	327
Requests from SAPS Radio Control	111
Possible Poss. of Stolen Prop	32
Robbery Related	30
Marches and Gatherings	23
Poss. of Dangerous Weapon	13

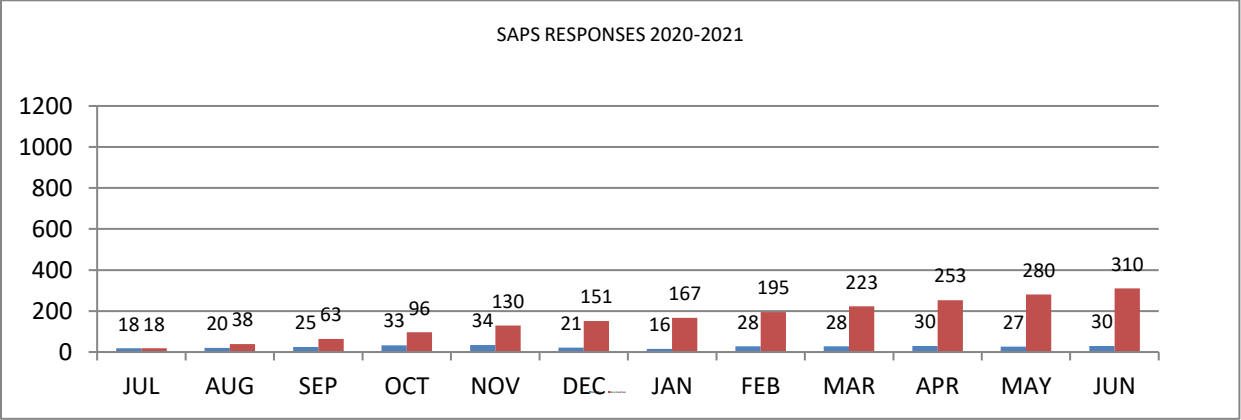
Arrests Made:



Comment: The number of arrests made was **81** compared to **137** of the previous year. As mentioned in para 6.3.3 there was a drastic decrease in crime during the reporting period due to limitation or ban on the sale of alcohol.

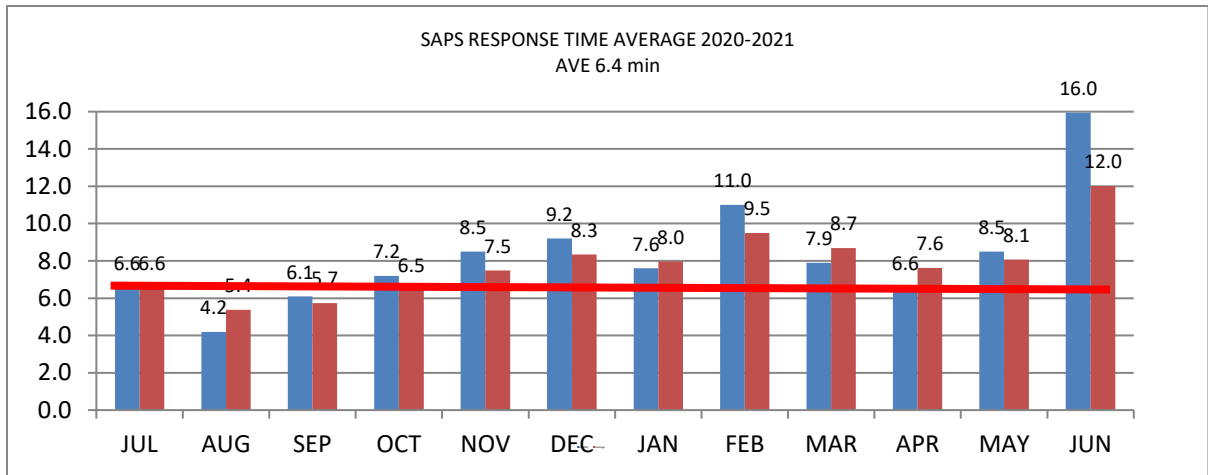
Type	Number
Robbery Related	23
Possession of stolen Property	16
Theft Out of Motor Vehicle	12
Burglary Business Premises	11
Possession of dangerous Weapon	4
Assault Related	3
Drug Related	2

6.3.7 Responses by the SAPS:



Comment: The total number of responses of the SAPS was **310**. No Responses by SAPS units was **40** which was reported in writing to the Station Commander of Pietermaritzburg Central.

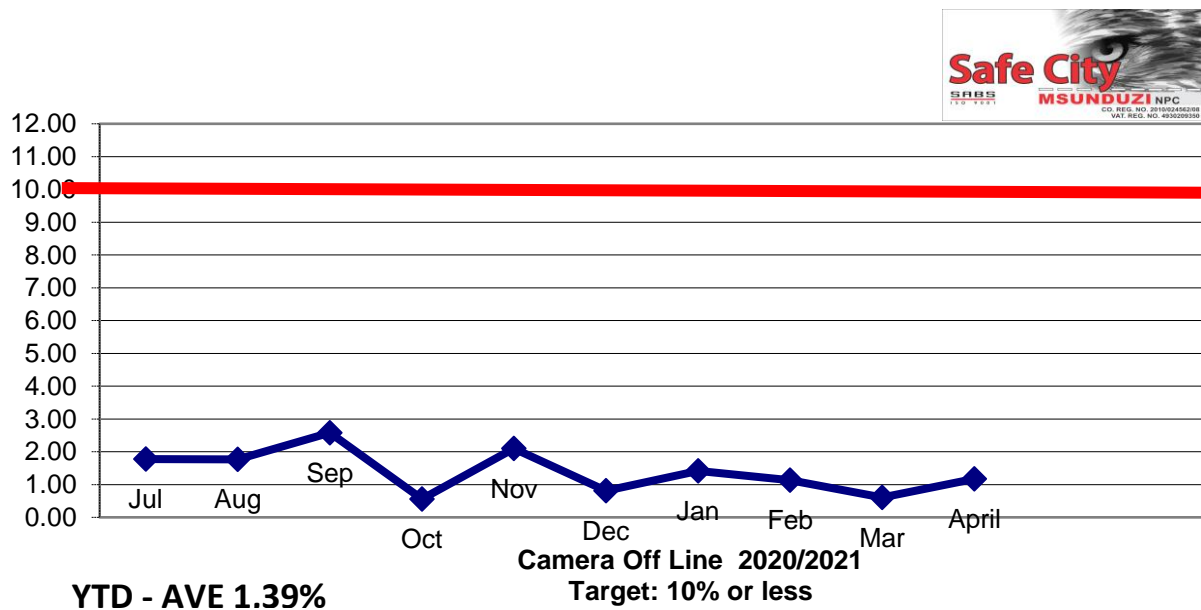
6.3.8 Response Time by the SAPS:



Comment: The average response time for SAPS vehicles to respond is calculated from the time of notifying the SAPS Emergency Control Room until a vehicle arrives on the scene. An average of **6.4 min** was achieved.

The SAP Station Commander for Pietermaritzburg Central has given an undertaking that Safe City complaints will receive priority attention and that a competent SAPS member will be sent to the Control Room.

6.3.9 Camera Downtime:



Comment: The average camera downtime was **0.9%** of all cameras. Safe City's target is **10%**. Power outages and load shedding wreaked havoc on our aging analogue equipment. In this regard the Technical Manager and his team have excelled in restoring the functionality of some of these cameras. Unfortunately, several analogue cameras could not be re-commissioned and had to be replaced with IP cameras. The cost of these replacements was funded through Operational funds.

FINANCE:

Safe City Banking Accounts: First National Bank: Boom Street Branch:
Current Acc No 62035467978
Money Market: 62035942392

Safe City Capital Budget: 2020/21 Financial Year

The amount of **R 3 500 000** has been applied for to upgrade the existing CCTV system. Unfortunately, no capital budget was allocated for this purpose. As highlighted in para. 5.2 there is an urgent need to upgrade to a digital system which will greatly assist surveillance staff in the detection of crime and bylaw infringements. This matter has again been highlighted in the Safe City multi-year business plan which has been submitted with the 2021/2022 budget application.

2021/22 Financial Year:

The amount of **R 3 500 000** has again been applied for to upgrade the existing CCTV system. We strongly appeal to Council to consider this request as our surveillance equipment is now fast approaching the end of its operational life span. It is of vital importance that Pietermaritzburg as the capital city of KwaZulu Natal has a fully functional street surveillance system.

Safe City Operating Budget:

2020/21 Financial Year:

Safe City applied for **R13 562 909** (incl vat) for the financial year to maintain its high level of service excellence. We would like to thank the Municipality for allocating the said amount to us. This increase was used to maintain the ageing CCTV infrastructure and to accommodate staff salary increases and benefits in accordance with PSIRA guidelines.

Comment:

Safe City experienced delays in receiving its quarterly funding payments. These delays had a negative impact on the management of the monthly operational budget. The operational budget had to be managed in such a manner that there were always sufficient funds available for staff salaries therefore reflecting a positive variance in expenditure. This positive variance created an impression of overfunding but in the process, expenditure in respect of maintenance had to be reduced which negatively impacted the life cycle of our ageing equipment.

For the past three years Safe City has received an unqualified audit report from the Auditor General which clearly indicates that Municipal funds are well administered and utilized.

2021/22 Financial Year:

For the financial year 2021/22 Safe City has applied for R14 279 422 (incl vat). The increase in budget allocation is to accommodate inter alia the estimate cost of:

R795 000 to be paid to the Auditor General and

R530 000 to be paid for assuring our assets which were transferred from the Municipality to Safe city.

The allocation will also be used to ensure that:

staff salaries are as per the Sectorial 6 determination

staff benefits such as medical aid and pension fund is maintained.

maintenance is conducted on the expanded CCTV system as per the SDBIP for 2020/21

Financial Contributors:

The following local company has given a discount to Safe City in the day to day running of its business.

Name of Co	Value	Period	Service Provided
Colenbrander Inc	R6 562	2020/21	Bookkeeping and compilation of AFS

KPA's/KPI's Indicators for 2020/21

PROGRAMME	PROJECT	MEASURABLE OBJECTIVE	ACTUAL 2020/21
Crime, Bylaw. Sub Station and Monitoring through CCTV Cameras	24 Hour crime watch through CCTV Cameras in areas with CCTV coverage	169 x CCTV Cameras to be monitored 24 hours in all areas with CCTV coverage	169 CCTV Cameras monitored 24 hours in all areas with CCTV coverage by the 30 th June 2021
Crime, Bylaw. Sub Station and Monitoring through CCTV Cameras	Reporting	12 x Monthly Reports of criminal incidents detected by CCTV Cameras prepared and submitted to the SM: City Entities within 7 days after month end	12 x Monthly Reports of criminal incidents detected by CCTV Cameras were prepared and submitted to the SM: City Entities within 7 days after month end by the 30 th June 2021
Crime, Bylaw. Sub Station and Monitoring through CCTV Camera	Reporting to SAPS, Municipal Traffic or Security Dept. of every detected criminal or suspicious incidents or bylaws violation	Ave 2 Minutes Turn-around time of reporting to SAPS or Municipal Traffic Dept. Or Security of every criminal or suspicious incidents & Bylaw's violations taking place in all areas with CCTV Camera coverage	Ave 1.3 Minutes Turn-around time of reporting to SAPS or Municipal Traffic Dept. Or Security of every criminal or suspicious incidents & Bylaw's violations taking place in all areas with CCTV Camera coverage achieved by the end of 30 th June 2021
Crime, Bylaw. Sub Station and Monitoring through CCTV Camera	Inspection of CCTV equipment's	240 x CCTV inspections conducted as per the maintenance schedule by Safe City Technicians	242 x CCTV inspections conducted as per the maintenance schedule by Safe City Technicians by the end of 30 th June 2021
Crime, Bylaw. Sub Station and Monitoring through CCTV Camera	Turn-around to repair of faulty CCTV equipment's as per the Faults Register/Book	Average 3 days turn-around time to repair faulty CCTV equipment as per the Faults Register/Book by the 30 th of June 2021	Average 1 -day turn-around time to repair faulty CCTV equipment as per the Faults Register/Book by the by the end of 30 th June 2021
Crime, Bylaw. Sub Station and Monitoring through CCTV Camera	Reporting of camera downtime	100% Monitoring of Camera Downtime in order to ensure no less than 90% of Cameras are operational in all CCTV cameras under control of Safe City by the 30 th June 2021	99% Monitoring of Camera Downtime achieved by the by the end of 30 th June 2021
Crime, Bylaw. Sub Station and Monitoring through CCTV Camera	Reporting on Safe City ISO accreditation status	100% Safe City ISO 9001 accreditation to be valid and maintained during the 20/21 FY	100% Safe City ISO 9001 accreditation still valid and maintained during the 19/20 FY by the by the end of 30 th June 2021

SAFE CITY ANNUAL PERFORMANCE:

Safe City's KPA and KPI's for 2020/21 were aligned with the Service Delivery and Budget Implementation Plan.

SUSTAINABILITY AND GOVERNANCE:

The Safe City Board Members remain committed in maintaining strict ethical standards in the operations of Safe City, and accordingly undertake from time-to-time reviews of its business practices and governance responsibilities. In this regard, several important policies have been compiled and others reviewed and approved by the Board of Directors during 2020/21.

CONCLUSION

Safe City enjoyed a very fruitful relationship with the city's administration during 2020/21 and we would like to thank the Mayor, Councillor Mzimkhulu Thebolla, the Councillors, the Municipal Manager, Mr Madoda Khathide, and other senior officials for their constructive support towards the Safe City project and for supporting our belief that Safe City is performing a valuable community service. During the 2020/21 financial year Safe City remained fully operational despite the challenges imposed on us by the highly infectious Covid 19 virus. We observed the positive impact the limitation on the sale of alcohol had on our communities in respect of reported contact crimes such as Murder, Rape and Assault with Grievous Bodily Harm intentions. As mentioned, Safe City played a very important role in the enforcement of the Covid 19 liquor regulations in that we directed the SAPS to liquor outlets who blatantly ignored these regulations. We also utilised our Public Announcement System extensively to warn the public on the dangers Covid 19 can pose if they do not adhere to sanitizing and social distancing protocols. Our staff's health remained a priority throughout the year and was not compromised in any manner.

As the Chairperson of the Board, the Board of Directors, Safe City Management and Staff, allow me to confirm without any doubt that Safe City Msunduzi NPC can be regarded as an asset to the Msunduzi Municipality and its communities. Without the presence of Safe City's CCTV Control Room and its operators, crime would have been rampant in the city. It always remains an important objective for Safe City to be a centre of excellence to ensure the safety of the public when visiting the Msunduzi precinct and also to provide an acceptable service to the Municipality, SAPS, National Prosecuting Authority and other stakeholders.

Safe City has seen it is equally important to get involved in assisting the Msunduzi Municipality in the enforcement of relevant bylaws and to generate revenue in the form of recovery outstanding Traffic Warrant revenue which is estimated to be in excess of **R11 000 000**. In this respect I am pleased to report that this matter is receiving the necessary attention. The lack of bylaw enforcement greatly contributes to crime and grime in our city, and we would like to appeal to the Municipality to establish a dedicated Municipal Re-Action Unit who can operate in conjunction with Safe City to effectively address bylaw infringements. This action will also reduce the opportunities for serious crime to take place especially in congested areas.

Our ageing surveillance system is starting to have a negative impact on our operating capability. Continuous power outages and load shedding wreaked havoc on our fragile analogue system and in this regard, we would like to appeal to the municipality to allocate capital funding to Safe City to undertake projects such as the upgrading of the surveillance system, the completion of the safeguarding of the remaining electrical primary sub stations against theft and vandalism and to expand the surveillance footprint to areas such as Edendale Business Centre. These projects have been included in our three (3) year Business Plan. As the capital city of KwaZulu Natal, it is of vital importance that our city has a fully functional and updated surveillance system.

I would also like to thank all our partners including BFC, SAPS, NPA and several others who are, to a lesser or greater extent stakeholders in our operation.

The financial contribution from Colenbrander Inc. in the form of a considerable discount on their respective contractual costs with Safe City is hereby acknowledged. The valuable assistance rendered by our legal advisors Venn's, and the local media on reporting safety and security matters is further recognised and acknowledged.

In conclusion as the Chairperson of Safe City, I would like to extend my greatest appreciation to the members of the board for their undivided and united support in consistently contributing strategically in the good governance of the organisation and to ensure that as a Board we act in good faith and in the best interest of Safe City at all times. The Board further wishes to thank the management and staff of Safe City for their commitment in ensuring that Safe City remains a centre of excellence despite numerous operational as well as financial challenges. As the Board of Safe City, the Management, and all staff, we extend our particular gratitude to our parent municipality, Msunduzi Municipality as our main funder.

CHAPTER 4 – REPORT OF THE AUDITOR GENERAL 2020/2021 FY

ANNUAL REPORT OF THE AUDIT COMMITTEE FOR THE PERIOD 01 JULY 2020 TO 30 JUNE 2021

REPORT OF THE AUDIT COMMITTEE FOR THE YEAR ENDED 30 JUNE 2021

The Audit Committee has pleasure in submitting its annual report for the financial year, 01 July 2020 to 30 June 2021, in accordance with sections 121(3)(j), 166(2)(b) and (c) of the Municipal Finance Management Act (“the MFMA”).

AUDIT COMMITTEE MEMBERS AND ATTENDANCE

The Audit Committee consists of the members listed hereunder and meets as a minimum, four times a year as per the approved Audit Committee Charter. Two vacancies created by the expiration of two members’ contracts in the previous reporting period were filled in the first quarter of this year. The Chairperson resigned due to personal circumstances effective 2 February 2021. The Committee continued to discharge its duties under the acting Chairmanship of Mrs Bronwyn Kemp. The Council has subsequently appointed a new Chairperson and filled the vacancy created by Advocate Madliwa’s resignation subsequent to year end. The Committee held eight (8) meetings during the year and the Audit Committee Chairperson availed herself to present the Audit Committee oversight reports to Council meetings.

The Chairperson of the Audit Committee also met with the Municipal Accounting Officer, the Chief Audit Executive and the Chief Financial Officer. The meetings of the Audit Committee were held as per the table below.

Date of meeting	Mr MM Madliwa	Mrs B Kemp	Mr M Shongwe	Mr L Quayle	Mr V Dlamini
15 September 2020	✓	✓	✓	■	■
27 October 2020	✓	✓	✓	■	■
20 November 2020	✓	✓	✓	x	✓
2 February 2021	●	✓	✓	✓	✓
23 February 2021	●	✓	✓	✓	✓
20 April 2021	●	✓	✓	✓	✓
18 May 2021	●	✓	✓	✓	✓
22 June 2021	●	✓	✓	✓	✓

✓	Attended
x	Not attended
●	Resigned
■	Not yet appointed

INTERNAL AUDIT FUNCTION

The Internal Audit Charter as adopted by the Audit Committee regulates the work of Internal Audit. In terms of Section 165(1) of the MFMA each municipality is required to have an Internal Audit function. Section 165(3) allows the municipality to co-source the function if the municipality requires assistance to develop its internal capacity. During the current year Internal Audit was assisted by co-sourced resources.

Internal Audit structure and capacity

The internal audit unit of The Msunduzi Municipality remains a co-sourced function, with an established Internal Audit Unit operating under the Chief Audit Executive (CAE) and reporting to the Audit Committee, in which capacity for the performance of individual tasks within the internal audit plan is supplemented by the use of external service providers.

During the year under review, the position of the Chief Risk Officer was filled, and seven (7) of the vacancies within the internal audit unit were filled. Despite these appointments, the unit remains under-capacitated with a 57% vacancy rate.

The continuing cash flow crisis that the municipality faces is a significant contributor to the municipality's inability to fill the vacancies within the internal audit unit.

As such, the Audit Committee remains concerned that the municipality's internal audit function is inadequately structured and resourced. The process of the structural review of internal audit has been finalized, however the new posts have not been graded as yet but the new job descriptions have been finalized and submitted to Human Resource Management. The unit is still has heavy reliance to consultants but the budget is in sufficient for the unit to have adequate coverage in most critical areas where high risks are prevalent.

Internal Audit performance

The Annual Audit coverage plan was submitted to the Audit Committee for approval in June 2020.

During the year under review, significant and concerning adjustments had to be made to the planned Internal Audit activities. This was due to the impact on the capacity of internal resources and the availability of external resources related to the Covid-19 pandemic and related lockdowns and changes in work methods.

Seventeen (17) audits were planned for the 2020/2021 Financial Year, however only 6 audits were completed eleven (11) audits were removed from the plan during mid-year review because of the reasons given in the above paragraph.

The internal audit reports, with management comments, were presented to the Audit Committee meetings. Issues raised were deliberated and recommendations made to Council. The Audit Committee has previously reported its concern that the internal audit reports and findings raised therein are not responded to by management on a timely basis, and that the responses and action plans provided by management in response to the findings are too vague to facilitate timely resolution of the internal control weaknesses reported on a sustainable manner that can be tracked and for which officials can be held accountable. This remains the Audit Committee's assessment, and the Audit Committee remains concerned that until management properly elevate the work of internal audit to the status it requires in terms of priority, and assign equal importance to the formulation of quality, credible responses and SMART action plans to implement the recommendations of internal audit in a sustainable manner, the underlying system of internal control will continue to be inadequate, and the effectiveness of the work of both internal audit and the audit committee will continue to be compromised. In response to this, the Audit Committee has further

isolated the responsible departments and root causes contributing to unacceptably slow rates of resolution of the recommendations of internal audit and reports these findings to Council.

The Chief Audit Executive (CAE) had direct access to the Audit Committee primarily through the Chairperson. During the year, the Audit Committee met with both internal audit and the external auditors without management being present. Significant intervention was required by the Audit Committee in ensuring that the work of both internal audit and external audit, as well as the relationship between management and the auditors, was appropriately facilitated and guided where necessary in a manner that was independent and constructive.

SYSTEM OF INTERNAL CONTROL

The majority of Internal Audit reports submitted during the year under review indicated that the design and operation of the system of internal control respectively remained inadequate and ineffective. This remains a recurring theme at the Msunduzi Municipality. This is attributable to the slow progress in the implementation of management action plans on both Internal Audit and Auditor-General recommendations. As already stated, the Audit Committee remains concerned that the root causes of the slow responses are not sufficiently analyzed to inform SMART (specific, measurable, achievable, realistic, time-bound) action plans to address audit findings and implement sustainable improvements to the system of internal control.

In the year under review, inadequate progress has been made in improving the system of internal control in place to accurately measure, bill, record, report and collect revenue from consumer and rates debtors and to minimize water and electricity losses. The failure of consumers to pay amounts owing to the municipality, and the municipality's inability to effectively collect the amounts owing, continue to threaten the municipality's cash flows and have a direct impact on the municipality's ability to fill vacant positions and put adequate information systems in place. This has an exponential weakening impact on the systems of internal control at the municipality. Firstly, because those positions that exist to implement internal control processes are not filled, and secondly because other employees are then expected to perform the internal control tasks of more than one position. This leads to increased human error, the need for employees to prioritize between controls that they do and do not implement, exhaustion, apathy and under-performance in general. Under these conditions, the system of internal control is very unlikely to improve.

RISK MANAGEMENT

After reporting in previous years that the assessment of Risk Management at the municipality revealed that Risk Management had all but collapsed, the Audit Committee is encouraged by the appointment during the year under review of the Chief Risk Officer and the subsequent progress made in implementing risk management processes at the municipality. The workshops were conducted with all business units to evaluate six strategic risks; the outcome of the strategic risk assessment was presented to the Audit Committee. All strategic risks in the municipality remained relatively critical. This necessitated instant management intervention by developing mitigation strategies. The assessment of Municipality's forty-six (46) fraud risks exposures was also performed during the year under review.

The audit outcomes by the Auditor-General and several findings of Internal Audit continue to indicate that management needs to put resolute efforts into establishing and maintaining effective and rigorous risk management so as

- to put effective mechanisms in place to ensure compliance with laws and regulations, and in particular, with supply chain management processes
- to prevent unauthorized, fruitless and wasteful and irregular expenditure,
- to ensure compliance with the basic requirements of effective financial management (for example revenue management and expenditure management) and

- to ensure delivery of service against pre-determined targets.

This is incorporated into the focus of the Chief Risk Officer's responsibilities.

FINANCIAL MANAGEMENT AND REPORTING

The Audit Committee reviews reports compiled by management in terms of sections 66, 71 and 72 on a monthly or bi-annual basis as required. There has been no significant change in previous concerns raised by the Committee relating to the accuracy and completeness of the information contained in these reports, as well as to the late or non-submission of these reports for review by the Committee. This is particularly concerning when the preparing and reporting of these reports is a legislated requirement and failure to do so results in non-compliance with laws and regulations. The root cause of inaccurate reporting, previously reported by the Audit Committee as relating to ongoing challenges in the implementation and effectiveness of the SAP ERP system, and which in the previous year, the Committee reported was taking unacceptably long to resolve, remains unresolved even a year later. This is an example of a root cause that cannot be remedied through normal internal control processes and requires a solution that is driven by leadership. It must be aimed at properly understanding the requirements and finding a focused solution in which role players are held accountable for performance. This is an example of a number of significant challenges faced by the municipality which require problem-solving leadership to resolve, rather than being left to ordinary processes or to levels of management who do not have either the strategic vision to find solutions or do not have the authority to put such solutions in place.

In the year under review, additional concerns have been directed to management relating to the quality and usefulness of the narratives and explanations included in these reports, as well as to a lack of proper review of the reports before submission through the Council structures, leading to a failure to detect and correct errors in these reports.

Both the deficiencies in accuracy and completeness of information contained in these reports, in the usefulness of the narratives included, and in the lack of consistency of submission, impact on the Audit Committee's ability to play an effective oversight role.

The Audit Committee continued to raise specific concerns relating to the content of matters reported, and for the purposes of this report wish to highlight the following critical items:

- Billing inaccuracies;
- Inability to collect consumer debtors;
- Insufficient spending of conditional grants;
- Excessive overtime expenditure;
- Unacceptably high vacancy levels, and
- The use of consultants instead of filling of vacant positions.

In the previous year, management was advised to prioritize debt control and take measures to reduce debt to acceptable levels, and to investigate the potential abuse or fraudulent claiming of overtime by municipal employees. In the current year, these issues remained as focus items on the Audit Committee's oversight agenda, with management being requested to present alternative plans for

- analyzing consumer debtors and improving the understanding of consumer debtor behavior,
- driving initiatives both to collect debt and to change consumer behavior, and
- increasing the accountability in the use of overtime in user departments.

These activities have yet to yield any tangible results in terms of collection of revenue and reduction in the abuse of overtime.

ANNUAL FINANCIAL STATEMENTS

The activities of the Budget and Treasury Office (BTO) in the year under review related to the preparation of interim and final financial statements were negatively impacted by substantial delays in the finalization of the 2019/2020 external audit process. This was largely due to the impact on both the PFMA and MFMA audit cycles of the first and subsequent Covid-19 national lockdowns as well as the related impact of the changes on working conditions and challenges relating to the exchange of information during the audit processes. The 2019/2020 external audit process was finalized in April 2021. As a result, no interim financial statements were prepared during the 2020/2021 year.

The status of the processes required for the production of accurate and credible Annual Financial Statements remains unchanged in terms of the amount of manual effort still required to reconcile month end and year end balances due to unresolved issues in the SAP system. Although the reduction in the number of qualifications and resolution of previous qualification items from prior external audit reports shows an improvement in management's commitment to the audit process across business units, the Budget and Treasury Office still experiences ongoing challenges in obtaining quality information from business units that is required to prepare the Annual Financial Statements and to respond to external audit queries. It also spends a significant amount of time vetting the responses and the supporting information before submitting these to the external auditors, showing an ongoing lack of understanding of the nature and quality of source documentation and evidence of the performance of internal controls which is still challenging departments other than the BTO.

The Audit Committee also reiterates the concern reported in previous years that the improvement in the audit opinion on the financial statements was achieved only after significant effort by the reporting team and material adjustments to the financial statements submitted for audit. This means that although there are significant improvements to be acknowledged in the financial reporting process, the internal controls relating to the validity, accuracy and completeness of the underlying accounting records still require urgent attention, an observation which is consistent with the outcomes of Audit Committee meetings held during the year under review.

PERFORMANCE MANAGEMENT

A benefit emanating from an improvement in the credibility of performance reporting in the previous years is that the actual planned and reported performance contained in the SDBIP, quarterly and annual performance reports can now be properly interrogated for oversight purposes. It is on this basis that the Audit Committee has made recommendations during the performance management evaluation processes that performance indicators require improvement for better measurement and for better alignment to outputs. The Audit Committee also raised concerns relating to the under-achievement of targets where the explanations provided for this related to the misuse of the Covid-19 related lockdowns as a blanket explanation, as well as the use of transversal processes, for example SCM delays or insufficient cash flow available, instead of detailing the steps taken for alternative actions contributing to the resolution of a transversal dependency impacting performance.

While the Office of the Municipal Manager continues to experience challenges in the timely receipt of quarterly performance information and portfolios of evidence, there has been an improvement. The results of Internal Audit reports issued on quarterly and annual performance reports reveal that the design of the system of internal control for performance management is adequate, whilst the operation thereof is ineffective. This is an improvement from previous reports where the design of the system was also deemed to be inadequate. The improvements in the operation of the system of internal control relate to compliance with the policies and procedures for the timelines, format and credibility of submissions into the performance planning, monitoring and reporting processes by the user departments.

The Audit Committee is hopeful that previous instability and long-standing vacancies in the s56 positions has now been addressed by Council, and that the resultant stability will enable the benefits of leadership to become clear in improved service delivery and performance management, and the growth in institutional knowledge of the new management team.

INFORMATION AND COMMUNICATION TECHNOLOGY

In contrast to previous reporting periods, the Audit Committee consistently received regular reports on ICT Governance and on the implementation of the ICT governance strategy, policies and procedures. However, the Committee remains concerned at the unacceptable length of time it is taking to finalise the processes required to properly address internal and external audit findings as well as the resurfacing of issues that were reported to have been addressed already throughout the period under review. These concerns related to IT infrastructure, general control environment and application control weaknesses within the municipality's ICT environment, including ongoing significant configuration errors in the SAP ERP system. The impact of this has been described throughout this report.

The Audit committee noted with concern the slow pace in which the Municipality is addressing the SAP ERP legacy issues and that of ensuring that the ERP is mSCOA compliant.

Furthermore, the audit committee noted with concerned that some projects aimed to address the ICT aging infrastructure remained unaddressed as a result of lack of available funding. The committee recommends an ongoing assessment of ICT risks, and intentional implementation of mitigation strategies in order to avoid a catastrophic situation caused by the aging infrastructure.

The audit committee recommends that implementation of ICT general controls across business applications and the supporting infrastructure should be prioritised in order to ensure that the confidentiality, integrity, and availability information systems are not compromised. Furthermore, the audit committee recommends that among other activities, the ICT Steering Committee should implement measures to ensure that previously reported issues are indeed addressed, as well as ensure that all critical ICT related projects are resources optimally to ensure successful delivery including having an assurance function within the project Steering team.

The Audit Committee will continue to monitor and to evaluate the progress made in addressing long standing issues that were previously reported by Internal Audit and the Auditor General, including those that are in the 2020/21 management report.

GOVERNANCE & CONTROL ENVIRONMENT

The review on governance and control environment conducted post 30 June 2018 revealed that Ethical Leadership and corporate citizenship in the municipality has declined. This was allowed to continue with impunity and only acted upon in early 2019/20 financial year by changing political leadership when damage had gone to a catastrophic state. The Provincial Executive Council took a decision in March 2019 by invoking Section 139(1) (b) to intervene by appointing a representative of the Member of the Executive Council. The issues raised in the 2018 review remain largely unresolved. There is ineffective tracking of the implementation of Council's decisions, and the municipality remains operating under Section 139(1)(b). The vacancy rate remains unacceptably high. The register for disciplinary matters is increasing and cases are not being dealt with at the desired rate. Loss recovery is slow. In addition, the municipality's financial health continues to be of concern, with adverse liquidity ratios severely impacting on service delivery. The control environment remains weak.

COMPLIANCE WITH LAWS AND REGULATIONS

The Audit Committee has reviewed the effectiveness of the system for monitoring compliance with laws and regulations and noted that there were still significant deficiencies in compliance. This has resulted in unauthorised, irregular, fruitless and wasteful expenditure as disclosed in the Annual Financial Statements, particularly in Supply Chain Management (SCM) and expenditure management. Robust discussions have been held with management on the use of deviations in the SCM processes and the Audit Committee has challenged management to identify instances of recurring use of deviations as indicative of systemic demand management issues and to align these with proper demand management principles instead. The Audit Committee will continue to play its oversight role to the system for monitoring compliance with laws and regulations to ensure that it is effective.

EXTERNAL AUDIT BY AUDITOR-GENERAL OF SOUTH AFRICA (AGSA)

The Audit Committee is encouraged by the progressive improvement in the audit outcome given by the Auditor-General during the audit of the annual financial statements of the municipality over the previous three financial years, culminating in an unqualified audit opinion in the financial statements for the 2020/2021 year. This improvement is testament to the consistent work management has put in to address deficiencies related to the financial reporting process.

However, the audit outcomes related to performance management and compliance with laws and regulations continue to reflect ongoing deficiencies in planning, recording and reporting on service delivery, and in day-to-day financial management requirements. These deficiencies are cut across multiple business units, where these business units are the custodians of service delivery and are responsible for internal controls related to financial management and compliance with laws and regulations relevant to their day-to-day areas of responsibility. The Audit Committee encourages all business units to entrench a culture of accountability and sound financial management and discipline on a daily basis and in all levels of operations of the municipality.

The Audit Committee met its obligations in terms of the oversight of the relationship between and process of audit between management and the external auditors and is encouraged by the professional and constructive manner in which both parties conducted the audit process and maintained the constructive relationship built in the previous year.

FORENSIC INVESTIGATIONS

Section 166(2) (d) of the Municipal Finance Management Act, 56 of 2003 [MFMA] gives powers to the Audit Committee to carry out investigations into the affairs of the municipality or municipal entity as the council of the municipality, or in the case of the municipal entity, the council of the parent municipality or the board of directors of the entity, may request. Clause 3.1.3.4 of the Audit Committee charter re-affirm this responsibility to the Audit Committee to carry out investigations into the financial affairs of the municipality.

During period under review twenty-four (24) incidents / allegations were reported to internal audit unit and some were referred by the City Manager and the Chief Financial Officer and through the whistle blowing and walk-ins. Twenty-five (25) forensic investigations were completed during the year and covered a range of issues, including, but not limited to allegations of fraud, corruption, vehicle abuse, unethical behavior and other gross maladministration, and spanning many levels within the municipality.

Forensic investigation reports point to overtime and payroll fraud, absenteeism, vehicle misuse and abuse, corruption and other types of fraud (for example fuel theft). The findings reported in these reports provide clear evidence of ineffective operation of the systems of internal control. The nature of the findings in these reports are

consistent with the findings reported in prior years and indicate an unacceptably slow pace of change in addressing the root causes of these occurrences.

CONCLUSION

The Committee will continue to monitor progress being made by the municipality in improving overall governance, systems of internal control, risk management as well as performance management. In addition, the Audit Committee concurs with and accepts the conclusions of both the Internal Audit and the Auditor-General on the matters they have raised during the audits.

The Committee wishes to express its sincere appreciation to the Accounting Officer, the acting Accounting Officer, Senior Management, MPAC, Portfolio Committees, Executive Committee, Council and staff for their co-operation and support.

Chairperson: Audit Committee

Mrs B Kemp CA (SA)

CHAPTER 5 – RESPONSE TO THE REPORT OF THE AUDITOR GENERAL 2019/2020 FY

MSUNDUZI LOCAL MUNICIPALITY REPORT BY MUNICIPAL MANAGER FOR COUNCIL

RESPONSE TO THE REPORT OF THE AUDITOR-GENERAL ON CONSOLIDATED FINANCIAL STATEMENTS OF THE MSUNDUZI MUNICIPALITY FOR THE YEAR ENDED 30 JUNE 2021

BACKGROUND AND PURPOSE OF THE REPORT

The report of the Auditor-General dated 28 February 2022 on the Audit of the Msunduzi Municipality and its entity for the financial year ended 30 June 2021, has been received and is on the Council agenda.

In terms of Section 21 (1) and (2) of the Public Audit Act, 2004 (Act No. 25 of 2004):

- [1] The Auditor-General must submit an audit report in accordance with any legislation applicable to the auditee which is the subject of the audit.
- [2] If there is no such legislation as contemplated in subsection (1) the Auditor-General must submit the audit report to the relevant legislature within the reasonable time.

The Accounting Officer must ensure that the requirements of Section 126 (1) and (2) of the Municipal Finance Management Act, (Act 65 of 2003) are complied with.

Section 121 prescribes that the Annual Report of a municipality must include among others the Auditor-General's Audit Report in terms of Section 126 (3) on the financial statements and particulars of any corrective action taken or to be taken in response to issues raised in the audit reports referred to in paragraph (b) and (c) of Section 121.

Comments and action on matters raised in the report are set out below with the numbering corresponding to the report of Auditor-General.

GENERAL RESPONSE

Report on the audit of the consolidated and separate financial statements

Unqualified audit opinion

1. The office of the Auditor General was engaged to audit the consolidated and separate Financial Statements of Msunduzi Local Municipality and its municipal entity for the financial year ended 30 June 2021. The Annual Financial Statements are comprised of Statement of Financial Position, Statement of Financial Performance, Statement of Changes in Net Assets, Cash Flow statement and Statement of Comparison of Budget and Actual amounts, as well as the notes to the Annual Financial statements, including accounting policies.
2. The office of the Auditor General issued an unqualified audit opinion on the consolidated and separate financial statements of the Municipality and its Municipal entity.

Basis for opinion

3. AGSA conducted the audit in accordance with International Standards on Auditing (ISAs).

4. AGSA is Independent in accordance with International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants.
5. AGSA believe that the audit evidence obtained is sufficient and appropriate to provide a basis for the opinion.
Material uncertainty relating to going concern
6. AGSA draw attention to the matter below:
7. I draw attention to note 79 to the consolidated and separate financial statements, which includes indicators of doubts as to the appropriateness of the going concern basis of accounting. These include the inability of the municipality to collect monies due from consumer debtors, inability to pay creditors on time, decreasing reserves and other adverse financial ratios. These conditions, indicate that a material uncertainty exists that may cast significant doubt on the group's ability to continue as a going concern.

Management Response

Management has embarked on a number of interventions to improve the debtor's collection, these measures include the implementation of credit control policy, functioning of revenue enhancement committee, aggressive water and electricity meter disconnections.

Emphasis of matters

8. AGSA draw attention to the matters below. The audit opinion was not modified in respect of these matters.

Restatement of corresponding figures

9. As disclosed in note 69 to the consolidated and separate financial statements, the corresponding figures for 30 June 2020 were restated as a result of errors in the financial statements of the group at, and for the year ended, 30 June 2021.

Management Response

To avoid restatement of corresponding figures management will enforce the Month end discipline control mechanism, which will ensure that proper reconciliations of account balances and transactions are performed accurately, timeously and correctly. This will also ensure that transactions are completely recorded and classified in the correct accounting period.

Material impairment - statutory receivables and consumer debtors

10. As disclosed in note 6 to the consolidated and separate financial statements, the municipality reported a provision for impairment balance of R772,56 million (2019-2020: R609,22 million) on statutory receivables as the recoverability of these amounts was doubtful.
11. As disclosed in note 7 to the consolidated and separate financial statements, the municipality reported a provision for impairment balance of R2,52 billion (2019-2020: R2,03 billion) on consumer debtors as the recoverability of these amounts was doubtful.

Management Response

The material impairment is noted. Financial viability has been identified by management as one of the key strategic risks facing the municipality. This risk encompasses liquidity, debt collection and cash coverage. In response management has developed strategic action plan to mitigate this risk. Improving debtor's collection rate is part of the actions identified to be undertaken. It is envisaged that implementation of the developed strategic actions plans and enforcement of already in existence credit control and debt collection measures will lower the material impairment.

Material losses – electricity

12. As disclosed in note 77 to the consolidated and separate financial statements the municipality incurred material electricity losses of R321,30 million (2020-2021: R178,49 million) which represents 22% (2019-2020: 18%) of total electricity purchased. This was mainly due to illegal connections, infrastructure vandalism, ageing infrastructure and overloading.

Material losses – water

13. As disclosed in note 77 to consolidated and separate the financial statements the municipality incurred material water losses of R223,37 million (2020-2021: R209,11 million), which represents 30% (2019-2020: 30%) of total water purchased. This was mainly due to illegal connections, progressive deterioration, as well as ageing and increasing levels of fragility in the bulk water infrastructure.

Management Response

14. Management notes the finding. The Municipality has already commenced with the audit of the metering installation and implementing corrective action required. A total of 804 bulk meter and 1984 residential meters were audited during the 2020/21 financial year. The Municipality Electricity department has made submission for consideration during the Council Budget Process to avail funding that will enable the availability of resources to undertake meter audits during the 2022/23 to 2023/24 financial years.

The Interventions for Water Loss Reductions are in progress. The program is to replace approximately 4000 water meters based on the exception list submitted by Revenue. High Water Loss areas have been identified to dispatch contractors once appointed. Thirty- seven (37) pressure management zones have been designed and simulated, awaiting the Civils Tender for implementation. To date 80% of existing Pressure Management Zones have been reinstated to their optimal functionality. On-going monitoring and adjustments are undertaken within these systems, as to mitigate the burst frequency and prevent leakage within the defined pressure managed zones. An apparent loss policy is currently at draft stage which will assist with a standard Operation Procedure to deal with illegal connections.

Other matters

14. AGSA draw attention to the matters below. The audit opinion was not modified in respect of these matters.
Unaudited disclosure notes
15. In terms of section 125(2)(e) of the MFMA, the group is required to disclose particulars of non-compliance with the MFMA in the consolidated and separate financial statements. This disclosure requirement did not form part of the audit of the group financial statements and, accordingly, I do not express an opinion on it.
Unaudited supplementary schedules
16. The supplementary information set out on pages x to x does not form part of the consolidated and separate financial statements and is presented as additional information. I have not audited these schedules and, accordingly, I do not express an opinion on them.

Responsibilities of the accounting officer for the consolidated and separate financial statements

17. The accounting officer is responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with the SA Standards on 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 consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.
18. In preparing the consolidated and separate financial statements, the accounting officer is responsible for assessing the group'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 group or to cease operations, or has no realistic alternative but to do so.

Auditor-general's responsibilities for the audit of the consolidated and separate financial statements

19. AGSA's objectives are to obtain reasonable assurance about whether the consolidated and separate 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.
20. A further description of AGSA's responsibilities for the audit of the consolidated and separate financial statements is included in the annexure to this auditor's report.

Report on the audit of the annual performance report

Introduction and scope

21. In accordance with the Public Audit Act, 2004 (Act. No. 25 of 2004) (PAA) and the general notice issued in terms thereof, AGSA has a responsibility to report on the usefulness and reliability of the reported performance information against predetermined objectives for the selected development priority presented in the annual performance report. AG performed procedures to identify material findings but not to gather evidence to express assurance.
22. AGSA procedures address the usefulness and reliability of the reported performance information, which must be based on the municipality's approved performance planning documents. I have not evaluated the completeness and appropriateness of the performance indicators included in the planning documents. AG procedures do not examine whether the actions taken by the municipality enabled service delivery. AG procedures also do not extend to any disclosures or assertions relating to planned performance strategies and information in respect of future periods that may be included as part of the reported performance information. Accordingly, AG findings do not extend to these matters.
23. AGSA evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for the "basic service delivery" development priority presented in the annual performance report for the year ended 30 June 2021.
24. AGSA performed procedures to determine whether the reported performance information was properly presented and whether performance was consistent with the approved performance planning documents. AGSA performed further procedures to determine whether the indicators and related targets were measurable and relevant, and assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.
25. The material finding on the usefulness and reliability of the performance information of the selected development priority is as follows:

Development priority B – basic service delivery

Various indicators

26. AGSA was unable to obtain sufficient appropriate audit evidence that clearly defined the predetermined source information and method of collection or that related systems and processes were established to enable consistent measurement and reliable reporting of the actual achievement of the indicators listed below. This was due to a lack of measurement definitions and processes. I was unable to confirm that the indicators are well-defined and verifiable by alternative means. As a result, I was unable to audit the reliability of the achievements reported in the annual performance report for the following indicators:

No.	Indicator description	Planned output	Reported achievement
1	Number of Households with access to free basic refuse collection service (Msunduzi Households vs Households provided with free basic refuse removal) by 30 June 2021	Number of Households with access to free basic refuse collection service (Msunduzi Households vs Households provided with free basic refuse removal) by 30 June 2021	6250 Households with access the free basic domestic waste collection by 30 June 2021
2	1 x Weekly Refuse Removal provided per month for Msunduzi Households as per Refuse Collection Schedule by 30 June 2021	1 x Weekly Refuse Removal provided per month for Msunduzi Households as per Refuse Collection Schedule by 30 June 2021	1 x Weekly Refuse Removal provided per month for Msunduzi Households as per Refuse Collection Schedule by 30 June 2021

Other matters

27. AGSA draw attention to the matters below.

ACHIEVEMENT OF PLANNED TARGETS

28. The annual performance report on pages x to x sets out information on the achievement of planned targets for the year. This information should be considered in the context of the material finding on the usefulness and reliability of the reported performance information in paragraph 26 of this report.

ADJUSTMENT OF MATERIAL MISSTATEMENTS

29. AGSA identified material misstatements in the annual performance report submitted for auditing. These material misstatements were in the reported performance information of the *basic service delivery development priority*. As management subsequently corrected only some of the misstatements, I raised material findings on the usefulness and reliability of the reported performance information. Those that were not corrected are reported above.

Management Response

Management will develop a comprehensive Annual performance report process plan to ensure misstatements are detected prior to submission of the report for auditing.

Report on the audit of compliance with legislation

Introduction and scope

30. In accordance with the PAA and the general notice issued in terms thereof, AG has a responsibility to report material findings on the municipality's compliance with specific matters in key legislation. AGSA performed procedures to identify findings but not to gather evidence to express assurance.
31. The material findings on compliance with specific matters in key legislation are as follows:

STRATEGIC PLANNING AND PERFORMANCE MANAGEMENT

32. The performance management system and related controls were inadequate as it did not describe how the performance measurement, review and reporting processes should be conducted, organised and managed, as required by municipal planning and performance management regulation 7(1).

Management Response

Management will develop performance management system and related controls that will describe how the performance measurement, review and reporting processes will be conducted, organised and managed.

FINANCIAL STATEMENTS

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

Management Response

Management has developed and monitor an action plan to prevent the occurrence of the issues that resulted in misstatements. In addition, management has developed an AFS Implementation plan for the 2021/2022 financial year. The implementation of aforementioned plans will detect and minimise the occurrence of material misstatements on the financial statements submitted for auditing.

Expenditure management

34. Reasonable steps were not taken to prevent unauthorised expenditure amounting to R920,57 million, as disclosed in note 76 to the annual financial statements, in contravention of section 62(1)(d) of the MFMA. The majority of the unauthorised expenditure was caused by overspending of the approved budget.
35. Reasonable steps were not taken to prevent irregular expenditure amounting to R50,66 million as disclosed in note 73 to the annual financial statements, as required by section 62(1)(d) of the MFMA. The majority of the irregular expenditure was caused by non-compliance with supply chain management regulations.
36. Reasonable steps were not taken to prevent fruitless and wasteful expenditure amounting to R6,27 million, as disclosed in note 75 to the annual financial statements, in contravention of section 62(1)(d) of the MFMA. The majority of the disclosed fruitless and wasteful expenditure was caused by payment of site re-establishment costs to a service provider.
37. Reasonable steps were not taken to ensure that the municipality implements and maintains an effective system of expenditure control, including procedures for the approval, authorisation and payment of funds, as required by section 65(2)(a) of the MFMA.

Management Response

Management will strive to ensure that there is compliance with legislation and its regulations when procuring goods and services.

Poor administration has been identified by management as one of the key strategic risks facing the municipality. This risk includes unauthorised, irregular and fruitless and wasteful expenditure. In response management developed an action plan to mitigate this risk. Developing a strategy to reduce unauthorised, irregular and fruitless and wasteful expenditure and workshopping the municipal departments on the strategy to reduce UIFW is part of the action plan to mitigate this risk. It is envisaged that the implementation of the action plan, implementation of credit control policy and monitoring internal controls will lower the incidences of UIFW.

Revenue management

38. An effective system of internal control for debtors and revenue was not in place, as required by section 64(2)(f) of the MFMA.
39. An adequate management, accounting and information system which accounts for revenue, debtors and receipt of revenue was not in place, as required by section 64(2)(e) of the MFMA.

Management Response

Management will develop a system of internal control for debtors and revenue and will further ensure that there is adequate management, accounting and information system which accounts for revenue and debtors and will embark on a number of interventions to improve the debtor's collection, including the implementation of credit control policy, functioning of revenue enhancement committee, aggressive water and electricity meter disconnections.

Consequence management

40. Appropriate action was not taken against officials of the municipality where investigations proved financial misconduct, as required by section 171 (4) (b) of the MFMA and municipal regulations on financial misconduct procedures and criminal proceedings 6(8).

Management Response

The recommendations of the Forensic Investigations are implemented and are monitored by the accounting officer on a weekly basis. A tracker for all cases has been developed and monitored in the MM's Office. The Presiding Officers and Prosecutors are also met regularly to ensure that administrative obstacles are dealt with timeously. All misconduct cases are given the necessary attention they deserve.

Other information

41. The accounting officer is responsible for the other information. The other information comprises the information included in the annual report. The other information does not include the consolidated and separate 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.
42. AGSA opinion on the consolidated and separate financial statements and findings on the reported performance information and compliance with legislation do not cover the other information and AGSA does not express an audit opinion or any form of assurance conclusion on it.
43. In connection with the audit, AGSA's responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements and the selected development priority presented in the annual performance report, or AGSA's knowledge obtained in the audit, or otherwise appears to be materially misstated.
44. The other information AGSA obtained prior to the date of this auditor's report is the mayor's foreword and executive summary, governance, as well as the organisational development performance, and the report of the audit committee and oversight report are expected to be made available to me after the auditor's report date.
45. If, based on the work AGSA have performed on the other information that AGSA obtained prior to the date of this auditor's report, AGSA conclude that there is a material misstatement of this other information, AGSA is required to report that fact. AGSA have nothing to report in this regard.
46. When AGSA receive and read the report of the audit committee and the oversight report, if AGSA conclude that there is a material misstatement therein, AGSA is 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, AGSA 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

47. AGSA considered internal control relevant to audit of the consolidated and separate financial statements, reported performance information and compliance with applicable legislation; however, AGSA objective was not to express any form of assurance on it. The matters reported below are limited to the significant internal control deficiencies that resulted in the findings on the annual performance report and the findings on compliance with legislation included in this report.
48. The accounting officer and management did not ensure that systems of internal control were adequately implemented and monitored to ensure compliance with key legislation relating to strategic planning, annual financial statements, expenditure management, revenue management and consequence management.
49. Management did not adequately review the annual financial statements and annual performance report before submitting for auditing. In addition, management did not validate achievements against supporting documents. As a result, material findings were raised during the audit.

Management Response

In a bid to strengthen and improve internal controls, as part of strategic risk management, management will prepare and monitor closely the audit action plan in addition to the month end discipline control measures.

The Municipality has developed an audit action plan to be monitored on a monthly basis by the audit committee and the structures of Council to deal with matters raised by the AGSA. Further strategies on improving the system of internal control are being employed to deal with the issues on the management report.

Material irregularities

50. In accordance with the PAA and the Material Irregularity Regulations, AG has a responsibility to report on material irregularities identified during the audit.

Material irregularities identified during the audit

51. The material irregularities identified are as follows:

Revenue not billed at the landfill site

52. Revenue earned from the municipal operated landfill site for waste deposits was not recognised as the weighbridge digitiser was not working for a period of six months in the 2019-2020 financial year. Vehicles entering the site were not weighed and there was no record of tonnage deposited. The non-compliance with section 64(2)(e)(i) of the MFMA is likely to result in a material financial loss for the Msunduzi Municipality.

53. The accounting officer was notified of the material irregularity on 1 April 2021 and invited to make a written submission on the actions taken and that will be taken to address the matter.
54. The accounting officer has not taken appropriate action in response to being notified of the material irregularity. AGSA recommend that the accounting officer should take the following actions to address the material irregularity, which should be implemented by 29 April 2022:
- a. The non-compliance should be investigated to determine if any official might have committed an act of financial misconduct or an offence in terms of chapter 15 of the MFMA. The financial loss should be quantified.
 - b. Disciplinary or, when appropriate, criminal proceedings should commence against any official who has allegedly committed an act of financial misconduct or an offence, as required by section 62(1)(e) of the MFMA and in the manner prescribed by the Municipal Regulations on Financial misconduct procedures and Criminal Proceedings.
 - c. Any person(s) liable for the losses should be identified and appropriate action should commence to recover the financial loss.
55. AGSA will follow up on the implementation of the recommendations after the due date.

Management response

Management has appointed an independent investigator to investigate the non-compliance. Once the investigation is finalized any person(s) liable for the losses will be identified and appropriate action will commence to recover the financial loss.

Salary payments to a manager that never reported for duty

56. Salary payments were made by the municipality from 1 December 2016 to 31 July 2019 to an employee who never reported for duty since their appointment date. The municipality received no services in return for the payments made. This is evident of a non-compliance with section 65(2)(a) of the MFMA. The non-compliance is likely to result in a material financial loss for the Msunduzi Municipality.
57. The accounting officer was notified of the material irregularity on 15 April 2021 and invited to make a written submission on the actions taken and that will be taken to address the matter.
58. The following actions have been taken by the accounting officer to resolve the material irregularity:
- d. A forensic investigation was conducted by the municipality's internal audit unit and a report was tabled in council.
 - e. The Head: Legal services was issued with an instruction by the accounting officer on 24 March 2021 to institute the recovery of the financial loss.

59. AGSA will follow up on the implementation of the actions being taken during my next audit.

Management response

The salary was stopped immediately as soon as the investigation report was discussed with management. Summons have been issued and Legal recovery processes are still in progress.

Failure to recover revenue from the sale of timber

60. The municipality failed to collect revenue from a service provider as per the agreement between the service provider and the municipality for the disposal of timber. This resulted in non-compliance with section 64(2)(a) of the MFMA and is likely to result in a material financial loss for the Msunduzi Municipality.
61. The accounting officer was notified of the material irregularity on 3 May 2021 and invited to make a written submission on the actions taken and that will be taken to address the matter.
62. The following actions have been taken to resolve the material irregularity:
- f. An independent expert has been appointed to conduct a verification of the plantation.
 - g. A new organogram has been compiled and approved for the forestry business unit.
 - h. A tender notice was issued on 19 August 2021 for the appointment of a suitable service provider for total management of the municipal forestry plantation.
 - i. The Head: Legal services was issued with an instruction by the accounting officer on 10 May 2021 to institute the recovery of the financial loss.
63. AGSA will follow-up on the implementation of the actions being taken during my next audit.

Management response

The investigation the non-compliance is still in progress. Once the investigation is finalized any person(s) liable for the losses will be identified and appropriate action will commence to recover the financial loss.

Other reports

64. In addition to the investigations relating to material irregularities, AGSA draw attention to the following engagements conducted which had, or could have, an impact on the matters reported in the group's financial statements, reported performance information, compliance with applicable legislation and other related matters. These reports did not form part of the opinion on the group financial statements or my findings on the reported performance information or compliance with legislation.

Investigations

65. At the request of the accounting officer and senior management, the internal audit unit performed investigations into allegations of fraud, corruption, theft, recruitment, mismanagement and supply chain management irregularities. Thirty-six investigations were conducted of which seventeen were concluded and reported to council. Nineteen investigations were still in progress at the date of this report. Some of these investigations resulted in disciplinary action against certain officials of the municipality. These proceedings were in progress at the date of this report.

CONCLUSION:

An audit action plan which addresses root causes of all audit findings and internal control deficiencies has been developed in consultation with the relevant General Managers and Senior Managers to resolve all reported matters within specific timeframes and deadlines. The action plan will be monitored on weekly basis to ensure that adequate system of internal controls and measures are in place to address the audit findings.

CHAPTER 6 – REPORT OF THE AUDIT COMMITTEE AND RECOMMENDATIONS OF THE AUDIT COMMITTEE 2020/2021 FY

ANNUAL REPORT OF THE AUDIT COMMITTEE FOR THE PERIOD 01 JULY 2020 TO 30 JUNE 2021

AUDIT COMMITTEE REPORT

REPORT OF THE AUDIT COMMITTEE FOR THE YEAR ENDED 30 JUNE 2021

The Audit Committee has pleasure in submitting its annual report for the financial year, 01 July 2020 to 30 June 2021, in accordance with sections 121(3)(j), 166(2)(b) and (c) of the Municipal Finance Management Act (“the MFMA”).

AUDIT COMMITTEE MEMBERS AND ATTENDANCE

The Audit Committee consists of the members listed hereunder and meets as a minimum, four times a year as per the approved Audit Committee Charter. Two vacancies created by the expiration of two members’ contracts in the previous reporting period were filled in the first quarter of this year. The Chairperson resigned due to personal circumstances effective 2 February 2021. The Committee continued to discharge its duties under the acting Chairmanship of Mrs Bronwyn Kemp. The Council has subsequently appointed a new Chairperson and filled the vacancy created by Advocate Madliwa’s resignation subsequent to year end. The Committee held eight (8) meetings during the year and the Audit Committee Chairperson availed herself to present the Audit Committee oversight reports to Council meetings.

The Chairperson of the Audit Committee also met with the Municipal Accounting Officer, the Chief Audit Executive and the Chief Financial Officer. The meetings of the Audit Committee were held as per the table below.

Date of meeting	Mr MM Madliwa	Mrs B Kemp	Mr M Shongwe	Mr L Quayle	Mr V Dlamini
15 September 2020	✓	✓	✓	■	■
27 October 2020	✓	✓	✓	■	■
20 November 2020	✓	✓	✓	*	✓
2 February 2021	●	✓	✓	✓	✓
23 February 2021	●	✓	✓	✓	✓
20 April 2021	●	✓	✓	✓	✓
18 May 2021	●	✓	✓	✓	✓
22 June 2021	●	✓	✓	✓	✓

✓	Attended
*	Not attended
●	Resigned
■	Not yet appointed

INTERNAL AUDIT FUNCTION

The Internal Audit Charter as adopted by the Audit Committee regulates the work of Internal Audit. In terms of Section 165(1) of the MFMA each municipality is required to have an Internal Audit function. Section 165(3) allows the municipality to co-source the function if the municipality requires assistance to develop its internal capacity. During the current year Internal Audit was assisted by co-sourced resources.

Internal Audit structure and capacity

The internal audit unit of The Msunduzi Municipality remains a co-sourced function, with an established Internal Audit Unit operating under the Chief Audit Executive (CAE) and reporting to the Audit Committee, in which capacity for the performance of individual tasks within the internal audit plan is supplemented by the use of external service providers.

During the year under review, the position of the Chief Risk Officer was filled, and seven (7) of the vacancies within the internal audit unit were filled. Despite these appointments, the unit remains under-capacitated with a 57% vacancy rate.

The continuing cash flow crisis that the municipality faces is a significant contributor to the municipality's inability to fill the vacancies within the internal audit unit.

As such, the Audit Committee remains concerned that the municipality's internal audit function is inadequately structured and resourced. The process of the structural review of internal audit has been finalised, however the new posts have not been graded as yet but the new job descriptions have been finalized and submitted to Human Resource Management. The unit is still heavily reliant on consultants, but the budget is insufficient for the unit to have adequate coverage in most critical areas where high risks are prevalent.

Internal Audit performance

The Annual Audit coverage plan was submitted to the Audit Committee for approval in June 2020.

During the year under review, significant and concerning adjustments had to be made to the planned Internal Audit activities. This was due to the impact on the capacity of internal resources and the availability of external resources related to the Covid-19 pandemic and related lockdowns and changes in work methods.

Seventeen (17) audits were planned for the 2020/2021 Financial Year, however only 6 audits were completed eleven (11) audits were removed from the plan during mid-year review because of the reasons given in the above paragraph.

The internal audit reports, with management comments, were presented to the Audit Committee meetings. Issues raised were deliberated and recommendations made to Council. The Audit Committee has previously reported its concern that the internal audit reports and findings raised therein are not responded to by management on a timely basis, and that the responses and action plans provided by management in response to the findings are too vague to facilitate timely resolution of the internal control weaknesses reported on a sustainable manner that can be tracked and for which officials can be held

accountable. This remains the Audit Committee's assessment, and the Audit Committee remains concerned that until management properly elevate the work of internal audit to the status it requires in terms of priority, and assign equal importance to the formulation of quality, credible responses and SMART action plans to implement the recommendations of internal audit in a sustainable manner, the underlying system of internal control will continue to be inadequate, and the effectiveness of the work of both internal audit and the audit committee will continue to be compromised. In response to this, the Audit Committee has further isolated the responsible departments and root causes contributing to unacceptably slow rates of resolution of the recommendations of internal audit and reports these findings to Council.

The Chief Audit Executive (CAE) had direct access to the Audit Committee primarily through the Chairperson. During the year, the Audit Committee met with both internal audit and the external auditors without management being present. Significant intervention was required by the Audit Committee in ensuring that the work of both internal audit and external audit, as well as the relationship between management and the auditors, was appropriately facilitated and guided where necessary in a manner that was independent and constructive.

SYSTEM OF INTERNAL CONTROL

The majority of Internal Audit reports submitted during the year under review indicated that the design and operation of the system of internal control respectively remained inadequate and ineffective. This remains a recurring theme at the Msunduzi Municipality. This is attributable to the slow progress in the implementation of management action plans on both Internal Audit and Auditor-General recommendations. As already stated, the Audit Committee remains concerned that the root causes of the slow responses are not sufficiently analysed to inform SMART (specific, measurable, achievable, realistic, time-bound) action plans to address audit findings and implement sustainable improvements to the system of internal control.

In the year under review, inadequate progress has been made in improving the system of internal control in place to accurately measure, bill, record, report and collect revenue from consumer and rates debtors and to minimise water and electricity losses. The failure of consumers to pay amounts owing to the municipality, and the municipality's inability to effectively collect the amounts owing, continue to threaten the municipality's cash flows and have a direct impact on the municipality's ability to fill vacant positions and put adequate information systems in place. This has an exponential weakening impact on the systems of internal control at the municipality. Firstly, because those positions that exist to implement internal control processes are not filled, and secondly because other employees are then expected to perform the internal control tasks of more than one position. This leads to increased human error, the need for employees to prioritise between controls that they do and do not implement, exhaustion, apathy and under-performance in general. Under these conditions, the system of internal control is very unlikely to improve.

RISK MANAGEMENT

After reporting in previous years that the assessment of Risk Management at the municipality revealed that Risk Management had all but collapsed, the Audit Committee is encouraged by the appointment during the year under review of the Chief Risk Officer and the subsequent progress made in implementing

risk management processes at the municipality. The workshops were conducted with all business units to evaluate six strategic risks; the outcome of the strategic risk assessment was presented to the Audit Committee. All strategic risks in the municipality remained relatively critical. This necessitated instant management intervention by developing mitigation strategies. The assessment of Municipality's forty-six (46) fraud risks exposures was also performed during the year under review.

The audit outcomes by the Auditor-General and several findings of Internal Audit continue to indicate that management needs to put resolute efforts into establishing and maintaining effective and rigorous risk management so as

- to put effective mechanisms in place to ensure compliance with laws and regulations, and in particular, with supply chain management processes
- to prevent unauthorised, fruitless and wasteful and irregular expenditure,
- to ensure compliance with the basic requirements of effective financial management (for example revenue management and expenditure management) and
- to ensure delivery of service against pre-determined targets.

This is incorporated into the focus of the Chief Risk Officer's responsibilities.

FINANCIAL MANAGEMENT AND REPORTING

The Audit Committee reviews reports compiled by management in terms of sections 66, 71 and 72 on a monthly or bi-annual basis as required. There has been no significant change in previous concerns raised by the Committee relating to the accuracy and completeness of the information contained in these reports, as well as to the late or non-submission of these reports for review by the Committee. This is particularly concerning when the preparing and reporting of these reports is a legislated requirement and failure to do so results in non-compliance with laws and regulations. The root cause of inaccurate reporting, previously reported by the Audit Committee as relating to ongoing challenges in the implementation and effectiveness of the SAP ERP system, and which in the previous year, the Committee reported was taking unacceptably long to resolve, remains unresolved even a year later. This is an example of a root cause that cannot be remedied through normal internal control processes and requires a solution that is driven by leadership. It must be aimed at properly understanding the requirements and finding a focused solution in which role players are held accountable for performance. This is an example of a number of significant challenges faced by the municipality which require problem-solving leadership to resolve, rather than being left to ordinary processes or to levels of management who do not have either the strategic vision to find solutions or do not have the authority to put such solutions in place.

In the year under review, additional concerns have been directed to management relating to the quality and usefulness of the narratives and explanations included in these reports, as well as to a lack of proper review of the reports before submission through the Council structures, leading to a failure to detect and correct errors in these reports.

Both the deficiencies in accuracy and completeness of information contained in these reports, in the usefulness of the narratives included, and in the lack of consistency of submission, impact on the Audit Committee's ability to play an effective oversight role.

The Audit Committee continued to raise specific concerns relating to the content of matters reported, and for the purposes of this report wish to highlight the following critical items:

- Billing inaccuracies;
- Inability to collect consumer debtors;
- Insufficient spending of conditional grants;
- Excessive overtime expenditure;
- Unacceptably high vacancy levels, and
- The use of consultants instead of filling of vacant positions.

In the previous year, management was advised to prioritize debt control and take measures to reduce debt to acceptable levels, and to investigate the potential abuse or fraudulent claiming of overtime by municipal employees. In the current year, these issues remained as focus items on the Audit Committee's oversight agenda, with management being requested to present alternative plans for

- analyzing consumer debtors and improving the understanding of consumer debtor behavior,
- driving initiatives both to collect debt and to change consumer behavior, and
- increasing the accountability in the use of overtime in user departments.

These activities have yet to yield any tangible results in terms of collection of revenue and reduction in the abuse of overtime.

ANNUAL FINANCIAL STATEMENTS

The activities of the Budget and Treasury Office (BTO) in the year under review related to the preparation of interim and final financial statements were negatively impacted by substantial delays in the finalization of the 2019/2020 external audit process. This was largely due to the impact on both the PFMA and MFMA audit cycles of the first and subsequent Covid-19 national lockdowns as well as the related impact of the changes on working conditions and challenges relating to the exchange of information during the audit processes. The 2019/2020 external audit process was finalized in April 2021. As a result, no interim financial statements were prepared during the 2020/2021 year.

The status of the processes required for the production of accurate and credible Annual Financial Statements remains unchanged in terms of the amount of manual effort still required to reconcile month end and year end balances due to unresolved issues in the SAP system. Although the reduction in the number of qualifications and resolution of previous qualification items from prior external audit reports shows an improvement in management's commitment to the audit process across business units, the Budget and Treasury Office still experiences ongoing challenges in obtaining quality information from business units that is required to prepare the Annual Financial Statements and to respond to external audit queries. It also spends a significant amount of time vetting the responses and the supporting information before submitting these to the external auditors, showing an ongoing lack of understanding of the nature and quality of source documentation and evidence of the performance of internal controls which is still challenging departments other than the BTO.

The Audit Committee also reiterates the concern reported in previous years that the improvement in the audit opinion on the financial statements was achieved only after significant effort by the reporting team and material adjustments to the financial statements submitted for audit. This means that although there are significant improvements to be acknowledged in the financial reporting process, the internal controls

relating to the validity, accuracy and completeness of the underlying accounting records still require urgent attention, an observation which is consistent with the outcomes of Audit Committee meetings held during the year under review.

PERFORMANCE MANAGEMENT

A benefit emanating from an improvement in the credibility of performance reporting in the previous years is that the actual planned and reported performance contained in the SDBIP, quarterly and annual performance reports can now be properly interrogated for oversight purposes. It is on this basis that the Audit Committee has made recommendations during the performance management evaluation processes that performance indicators require improvement for better measurement and for better alignment to outputs. The Audit Committee also raised concerns relating to the under-achievement of targets where the explanations provided for this related to the misuse of the Covid-19 related lockdowns as a blanket explanation, as well as the use of transversal processes, for example SCM delays or insufficient cash flow available, instead of detailing the steps taken for alternative actions contributing to the resolution of a transversal dependency impacting performance.

While the Office of the Municipal Manager continues to experience challenges in the timely receipt of quarterly performance information and portfolios of evidence, there has been an improvement. The results of Internal Audit reports issued on quarterly and annual performance reports reveal that the design of the system of internal control for performance management is adequate, whilst the operation thereof is ineffective. This is an improvement from previous reports where the design of the system was also deemed to be inadequate. The improvements in the operation of the system of internal control relate to compliance with the policies and procedures for the timelines, format and credibility of submissions into the performance planning, monitoring and reporting processes by the user departments.

The Audit Committee is hopeful that previous instability and long-standing vacancies in the s56 positions has now been addressed by Council, and that the resultant stability will enable the benefits of leadership to become clear in improved service delivery and performance management, and the growth in institutional knowledge of the new management team.

INFORMATION AND COMMUNICATION TECHNOLOGY

In contrast to previous reporting periods, the Audit Committee consistently received regular reports on ICT Governance and on the implementation of the ICT governance strategy, policies and procedures. However, the Committee remains concerned at the unacceptable length of time it is taking to finalise the processes required to properly address internal and external audit findings as well as the resurfacing of issues that were reported to have been addressed already throughout the period under review. These concerns related to IT infrastructure, general control environment and application control weaknesses within the municipality's ICT environment, including ongoing significant configuration errors in the SAP ERP system. The impact of this has been described throughout this report.

The Audit Committee noted with concern the slow pace in which the Municipality is addressing the SAP ERP legacy issues and that of ensuring that the ERP is mSCOA compliant. Furthermore, some projects

aimed to address the ICT aging infrastructure remained unaddressed as a result of lack of available funding. The Committee recommends an ongoing assessment of ICT risks, and intentional implementation of mitigation strategies in order to avoid a catastrophic situation caused by the aging infrastructure.

The audit committee recommends that implementation of ICT general controls across business applications and the supporting infrastructure should be prioritised in order to ensure that the confidentiality, integrity, and availability information systems are not compromised. Furthermore, the Audit Committee recommends that among other activities, the ICT Steering Committee should implement measures to ensure that previously reported issues are indeed addressed, as well as ensure that all critical ICT related projects are resources optimally to ensure successful delivery including having an assurance function within the project Steering team.

The Audit Committee will continue to monitor and to evaluate the progress made in addressing long standing issues that were previously reported by Internal Audit and the Auditor General, including those that are in the 2020/21 Management Report.

GOVERNANCE & CONTROL ENVIRONMENT

The review on governance and control environment conducted post 30 June 2018 revealed that Ethical Leadership and corporate citizenship in the municipality has declined. This was allowed to continue with impunity and only acted upon in early 2019/20 financial year by changing political leadership when damage had gone to a catastrophic state. The Provincial Executive Council took a decision in March 2019 by invoking Section 139(1) (b) to intervene by appointing a representative of the Member of the Executive Council. The issues raised in the 2018 review remain largely unresolved. There is ineffective tracking of the implementation of Council's decisions, and the municipality remains operating under Section 139(1)(b). The vacancy rate remains unacceptably high. The register for disciplinary matters is increasing and cases are not being dealt with at the desired rate. Loss recovery is slow. In addition, the municipality's financial health continues to be of concern, with adverse liquidity ratios severely impacting on service delivery. The control environment remains weak.

COMPLIANCE WITH LAWS AND REGULATIONS

The Audit Committee has reviewed the effectiveness of the system for monitoring compliance with laws and regulations and noted that there were still significant deficiencies in compliance. This has resulted in unauthorized, irregular, fruitless and wasteful expenditure as disclosed in the Annual Financial Statements, particularly in Supply Chain Management (SCM) and expenditure management. Robust discussions have been held with management on the use of deviations in the SCM processes and the Audit Committee has challenged management to identify instances of recurring use of deviations as indicative of systemic demand management issues and to align these with proper demand management principles instead. The Audit Committee will continue to play its oversight role to the system for monitoring compliance with laws and regulations to ensure that it is effective.

EXTERNAL AUDIT BY AUDITOR-GENERAL OF SOUTH AFRICA (AGSA)

The Audit Committee met its obligations in terms of the oversight of the relationship between and process of audit between management and the external auditors and is encouraged by the professional and constructive manner in which both parties conducted the audit process and maintained the constructive relationship built in the previous year.

The Audit Committee is encouraged by the progressive improvement in the audit outcome reported by the Auditor-General during the audit of the Annual Financial Statements of the municipality over the previous three financial years, culminating in an unqualified audit opinion in the financial statements for the 2020/2021 year.

The Audit Committee draws attention to meaning of the Auditor-General's unqualified opinion on the Annual Financial Statements for the year ended June 2021. The unqualified opinion means that the information reported in the Annual Financial Statements is, in all material respects, fairly presented and that users of the Annual Financial Statements can rely on the information contained therein with reasonable assurance and subject to the limitations inherent in an external audit. The Audit Committee further emphasizes that the unqualified opinion does not mean that the Municipality's financial position and performance and related cash flows, financial management and financial health are no longer significantly concerning. Users are encouraged to properly read and engage with the information contained in the financial statements to understand and evaluate the municipality's performance and to make decisions based on the information presented and disclosed, and not on the basis of the opinion on the fair presentation alone.

Despite the unqualified opinion on the Annual Financial Statements, the audit outcomes related to performance management and compliance with laws and regulations continue to reflect ongoing deficiencies in planning, recording and reporting on service delivery, and in day-to-day financial management requirements. These deficiencies cut across multiple business units, where these business units are the custodians of service delivery and are responsible for internal controls related to financial management and compliance with laws and regulations relevant to their day-to-day areas of responsibility. The Audit Committee encourages all business units to entrench a culture of accountability and sound financial management and discipline on a daily basis and in all levels of operations of the municipality. It is critical that senior management and Council create an ethical environment in which ethics and accountability form the basis of all municipal activities. The message from Council of zero tolerance for underperformance and unethical behavior needs to be clear, consistent and tangible.

FORENSIC INVESTIGATIONS

Section 166(2) (d) of the Municipal Finance Management Act, 56 of 2003 [MFMA] gives powers to the Audit Committee to carry out investigations into the affairs of the municipality or municipal entity as the council of the municipality, or in the case of the municipal entity, the council of the parent municipality or the board of directors of the entity, may request. Clause 3.1.3.4 of the Audit Committee charter re-affirm this responsibility to the Audit Committee to carry out investigations into the financial affairs of the municipality.

During period under review twenty-four (24) incidents / allegations were reported to internal audit unit and some were referred by the City Manager and the Chief Financial Officer and through the whistle blowing and walk-ins. Twenty-five (25) forensic investigations were completed during the year and covered a range of issues, including, but not limited to allegations of fraud, corruption, vehicle abuse, unethical behavior and other gross maladministration, and spanning many levels within the municipality.

Forensic investigation reports point to overtime and payroll fraud, absenteeism, vehicle misuse and abuse, corruption and other types of fraud (for example fuel theft). The findings reported in these reports provide clear evidence of ineffective operation of the systems of internal control. The nature of the findings in these reports are consistent with the findings reported in prior years and indicate an unacceptably slow pace of change in addressing the root causes of these occurrences.

CONCLUSION

The Committee will continue to monitor progress being made by the municipality in improving overall governance, systems of internal control, risk management as well as performance management. In addition, the Audit Committee concurs with and accepts the conclusions of both the Internal Audit and the Auditor-General on the matters they have raised during the audits.

The Committee wishes to express its sincere appreciation to the Accounting Officer, the acting Accounting Officer, Senior Management, MPAC, Portfolio Committees, Executive Committee, Council and staff for their co-operation and support.

Chairperson: Audit Committee

Mrs B Kemp CA (SA)

RECOMMENDATIONS / RESOLUTIONS OF THE MUNICIPAL AUDIT COMMITTEE 2020/2021 FY

RESOLUTIONS/RECOMMENDATIONS OF THE MUNICIPAL AUDIT COMMITTEE 2020/21

15 Sept 2020	<p><u>AUDITOR GENERAL MATTERS</u></p> <p>6. <u>UPDATE BY THE OFFICE OF THE AUDITOR GENERAL</u></p> <p>(Items 9, 10 and 11 on the agenda dated 25 August 2020)</p> <p>The Manager: AGSA reported that the Office of the Auditor General would be convening a meeting with Management and the Audit Committee to address the audit approach, compliance and the relevant timeframes. He indicated that the Audit Strategy and that Engagement Letter required adjustment as a result of the Covid-19 National lockdown which resulted in delays.</p> <p>The Manager: AGSA thereafter reported that Audit commenced approximately three weeks ago. The team was in the process of verifying the status on the PPE, as well as the revenue streams. He indicated that Prior Year Items would be tested, along the following areas within human resources i.e the appointment of staff, overtime and terminations. He further advised that Loans and Financial Charges would also be tested.</p> <p>The Audit Committee was advised that two additional staff would be added to the team to build capacity in fast tracking the Audit.</p> <p>The explanation from the Manager: AGSA on the changes from their Head Office to accommodate the new deadline and Covid-19 related delays were accepted by the Audit Committee.</p> <p>The National Treasury Representative (Mr L Holland) reported that National Treasury had conducted a workshop with non-delegated municipalities, including Msunduzi Municipality on the National State of Disaster. As a result of staff being on remote working arrangements during this period, the unavailability of key officials during the audit resulted in a limitation of scope. Management was urged to be consistently aware of the risks during the audit as a result of the Covid-19 situation and its impact on the audit process.</p> <p>NOTED.</p> <p>7. <u>FOLLOW-UP INTERNAL AUDIT REPORT ON THE SAP BASIS, PHASE 1 AND 2 POST IMPLEMENTATION REVIEW FUNDING (REF:3.10.1.1)</u></p> <p>Report dated 11 July 2020 incorporating recommendations of the Strategic Management Committee.</p> <p>(Page 43 of the agenda dated 25 August 2020)</p> <p>It was pointed out that this item was previously considered by the Audit Committee at its meeting held on 25 February 2020. Therefore, this item was removed from the current agenda.</p> <p>NOTED.</p> <p>8. <u>REPORT TO THE AUDIT COMMITTEE ON THE HANDOVER OF SAP FROM THE BUDGET AND TREASURY UNIT TO CORPORATE SERVICES:ICT UNIT AND THE DRAFT HANDOVER TERMS OF REFERENCE</u></p> <p>Report dated 9 September 2020 by the Senior Managers SAP and ICT.</p> <p>(Circulated at the meeting)</p>
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The report was noted with concern that it had taken this long; nearly a year to reach the point of deciding that the Budget and Treasury Unit needed assistance to figure out how and what to hand over.

It was

AGREED

That the Senior Managers: SAP and ICT submit a Project Management Plan for the Implementation of the Handover with Milestones and Timeframes for monitoring against.

It was thereafter

**AGREED TO RECOMMEND TO THE
FULL COUNCIL**

(a) That the **report dated 9 September 2020 by the Senior Managers: SAP and ICT, collectively on the Handover of SAP from the Budget and Treasury Business Unit to Corporate Services: ICT Unit, be NOTED.**

(b) That the draft Terms of Reference for the Handover of SAP from Budget and Treasury to the Corporate Services Business Unit, be supported.

9. REIMPLEMENTATION OF SAP ERP ECC6 TO CONFORM INTO MSCOA REQUIREMENTS AND INTRODUCTION OF ADDITIONAL MODULES WHICH MUST BE MSCOA ENABLED FOR MSUNDUZI MUNICIPALITY AND SAFE CITY

SAP Steering Committee: Draft Terms of Reference: Report dated 11 September 2020 by the Senior Manager: SAP and Senior Manager: ICT.

(Circulated separately via electronic mail)

It was

**AGREED TO RECOMMEND TO THE
FULL COUNCIL**

(a) That the report dated 11 September 2020 by the Senior Managers: SAP and ICT, collectively on the **Re-implementation of SAP ERP ECC6 to conform into MSCOA requirements and the introduction of additional modules which must be MSCOA enabled for Msunduzi Municipality and Safe City, be NOTED.**

(b) That the draft Terms of Reference for the **Reimplementation of SAP ERP ECC6 to conform into MSCOA requirements and the introduction of additional modules which must be MSCOA enabled for Msunduzi Municipality and Safe City, be approved.**

(c) That subject to the approval of (b) above, the City Manager identify all internal resources that will be part of the Project and must be appointed accordingly.

(d) That subject to (b) and (c) above, the City Manager also consider all the additional requirements as stated in 7.1 (a) to (e) of the report.

10. REPORT ON RISK MANAGEMENT (REF: 10.4.1)

(No report was received at the time of preparing the agenda).

(Item 13 on agenda dated 25 August 2020)

Audit Committee members noted that at the time of preparing the agenda, there was no report received on **Risk Management**. But stressed their significant reservations and concerns over the lack of submissions.

NOTED.

OFFICE OF THE MUNICIPAL MANAGER

11. **INTERNAL TRACKING TOOL PROGRESS REPORT (REF: 10.4.1)**

(i) Report dated 8 August 2020 by the Audit Readiness Consultant.

(Item 14 on agenda circulated separately via Microsoft Teams and electronic mail)

(ii) Report dated 19 August 2020 incorporating recommendations of the Strategic Management Committee.

(Page 188 of agenda dated 15 September 2020)

The Audit Committee noted the template of the New Tracking Tools and indicated that they were looking forward to seeing whether Management took this reporting seriously or whether the culture of non-submission and slow reporting would continue.

The National Treasury Representative (Mr L Holland) indicated that National Treasury had raised concern on the delay in dealing with issues on the Audit Action Plans on 15 July 2020. He encouraged management to consider using the web-based Audit Action Plan to monitor the progress of findings raised by the Auditor General.

It was

AGREED

That the Senior Manager: Office of the City Manager revise the new Tracking Tool Template to reflect the year the finding originated from and not the last instance (latest) on the Tracking Tool Template.

It was thereafter

**AGREED TO RECOMMEND TO THE
FULL COUNCIL**

That the report on the **Internal Audit Action Plan Tracking Tools as at 08 August 2020 for the 2017/2017, 2017/2018 and 2018/2019 Financial Years**, be NOTED.

12. **PERFORMANCE ASSESSMENT SCHEDULE FOR THE 2020/2021 FINANCIAL YEAR (REF: 10.4.1)**

Report dated 23 June 2020 incorporating recommendations of the Strategic Management Committee.

(Page 314 of agenda dated 25 August 2020)

The National Treasury Representative (Mr L Holland) urged management to **enhance the monitoring of the Audit Action Plan**. He stressed that the root causes of findings must be addressed by management in a sustainable and timeous manner.

It was

**AGREED TO RECOMMEND TO THE
FULL COUNCIL**

That the report dated 23 June 2020 incorporating recommendations of the Strategic Management Committee considering the **Performance Assessment Schedule for the 2020/2021 Financial Year**, be NOTED.

FINANCIAL SERVICES BUSINESS UNIT

13. SECTION 66 OF THE MUNICIPAL FINANCE MANAGEMENT ACT NO.56 OF 2003: EXPENDITURE ON STAFF BENEFITS MONTHLY REPORT: FEBRUARY 2020 TO AUGUST 2020 (REF:3.7.P)

No report was received at the time of preparing the agenda.

(Item 16 on agenda dated 25 August 2020)

Audit Committee members reiterated their concerns at the beginning of the proceedings regarding the non-submission of reports for Section 66 Reporting.

NOTED.

14. REPORT ON CONDITIONAL GRANTS

No report was received at the time of preparing the agenda.

(Item 17 on agenda dated 25 August 2020)

Committee's sentiments on the non-submission of reports for the Status of Conditional Grants were echoed.

NOTED.

15. SECTION 71 OF THE MUNICIPAL FINANCE MANAGEMENT ACT NO.56 OF 2003: FEBRUARY 2020 TO AUGUST 2020 (REF: 3.7.P)

No report was received at the time of preparing the agenda.

(Item 18 on agenda dated 25 August 2020)

Committee's concerns over the non-submission of reports for **Section 71** reporting of the Municipal Finance Management Act No.56 of 2003 for the months of **February 2020 to August 2020** were reiterated.

NOTED.

CONFIDENTIAL: NOT FOR PUBLICATION

16. ACTION PLAN TO ADDRESS THE 2018/2019 AUDITOR GENERAL AUDIT FINDINGS AS AT 31 AUGUST 2020 (REF:10.4.1)

Report dated 8 September 2020 by the Senior Manager: Financial Governance and Performance Reporting.

(Item 19 on agenda circulated separately via electronic mail and MS Teams)

NOTE BY SENIOR MANAGER: SECRETARIAT & AUXILLIARY SERVICES (ACTING)

Due to the strict confidentiality of this item, an extract of the minutes under this item has been given to the Audit Committee members ONLY and a copy filed in the official CONFIDENTIAL records.

17. STATUS UPDATE ON THE PREPARATION OF THE ANNUAL FINANCIAL STATEMENTS

Report dated 8 September 2020 by the Senior Manager: Financial Governance and Performance Reporting.

(Circulated via electronic mail and MS Teams)

The Audit Committee requested that members be given some time to review the Annual Financial Statements.

The Chief Financial Officer was requested to ensure that a Working File was prepared on the 2019/2020 Annual Financial Statements for the Auditor General.

It was

**AGREED TO RECOMMEND TO THE
FULL COUNCIL**

That the **status on the preparation of the Annual Financial Statements for the year ended 30 June 2020**, as contained in the report dated 8 September 2020 by the Senior Manager: Finance Governance, be NOTED.

18. INFORMATION COMMUNICATION AND TECHNOLOGY (ICT) AUDIT ACTION PLAN PROGRESS (REF: 5.1.1.3)

Report dated 23 June 2020 incorporating recommendations of the Strategic Management Committee.

(Page 334 of agenda dated 25 August 2020)

The Audit Committee sought clarity on reasons why the Senior Manager: ICT was deviating from the action deadline of 30 June 2020, and requested that issues raised between July 2020 and September 2020 must be tabularised into the respective old issues.

The Senior Manager: ICT was requested to report on how the issue on legacy systems would be resolved, together with the associated budgetary provisions to replace the legacy issue.

Following discussion, it was

**AGREED TO RECOMMEND TO THE
FULL COUNCIL**

That the report dated 23 June 2020 incorporating recommendations of the Strategic Management Committee considering the **Progress on the Information, Communication and Technology Audit Action Plan**, be NOTED.

19. REPORTS FROM MUNICIPAL ENTITIES: SAFE CITY

No report was received at the time of preparing the agenda.

(Item 21 on agenda dated 25 August 2020)

The Business Unit was reprimanded for the non-submission of reports on the Safe City Entity. It was stressed that this must not recur; as both the Municipality and the Audit Committee, have legislated responsibilities with regards to the municipal entity. It was indicated that this was the second meeting at which the Audit Committee have not received reports from Safe City which amounted to **non-compliance with the Municipal Systems Act**.

20. FINAL INTERNAL AUDIT REPORT ON THE REVIEW OF ADEQUACY AND EFFECTIVENESS OF THE IT GOVERNANCE, STRATEGY AND FRAMEWORK (REF:3.10.1.1)

Report dated 1 June 2020 incorporating recommendations of the Strategic Management Committee.

(Page 1 of agenda dated 15 September 2020)

With regard to Item 6.4.1 on the report, clarity was sought on whether the Business Architecture and Governance Framework would be outdated, as ICT Policies were being considered in piece-meal instead of a consolidated approach.

It was noted that the ICT Steering Committee and the ICT Technical Committee were established and would be addressing all issues. It was further noted that there was an issue of non-attendance of officials at the ICT Technical Committee.

It was thereafter

**AGREED TO RECOMMEND TO THE
FULL COUNCIL**

That the Findings, Internal Audit Opinions on the inadequacy of the design of the System of Internal Controls and partial effectiveness of Operation of the System of Internal Controls around the IT Governance, Strategy and Framework be considered:-

- (a) That the Senior Manager: ICT, discuss with the General Manager: Corporate Services and the Chief Financial Officer and ensure that Budget / Funding is set aside for the Drafting Governance, reviewing and implementation of the IT Framework and IT Strategy. Thereafter, an assigned resource from the IT Department should be paired with the appointed service provider responsible for drafting the IT Governance Framework and IT Strategy to ensure skills transfer and going forward that the assigned individual is able to draft or update the IT Governance Framework and IT Strategy.
- (b) That the Senior Manager: ICT must ensure that the ICT Charter is revised / drafted and submitted to Council for approval and implementation. Thereafter, the City Manager must appointment senior management with IT Knowledge and Skills to serve on the ICT Steering Committee, with formal appointment letters issued to all ICT Steering Committee members. The City Manager must ensure that the ICT Steering Committee must meet in accordance with the interval / frequency set out in the ICT Charter, and that all meetings must be minuted.
- (c) That the Senior Manager: ICT must ensure that for all IT related projects, a Cost Benefit Analysis (Quantitative and Qualitative) is performed and documented based on stipulated business case and proposed benefits set out for the Project, prior to approval and implementation. This will ensure that proposed and actual returns on investments are measured and realized.
- (d) That the Senior Manager: ICT in conjunction with the Work-Study Officers must ensure that the ICT Organogram is updated to meet the current and future staffing needs to adequately support the municipality. Funding must be secured to ensure that identified and noted positions which are vacant on the ICT Organogram can be filled once the Moratorium on the Filling of Vacant Posts has been lifted.
- (e) That the City Manager must ensure that the BCP and DRP can be released to the Municipality; and
- (f) That the City Manager must ensure that the BCP and DRP is presented to ICT Steering Committee, and thereafter to the Full Council for REVIEW and ADOPTION.
- (g) That the Senior Manager: ICT must ensure that on a regular basis (at least bi-annually). The ICT Risk Register is updated to ensure that its accounts for and tracks current ITCT risks that the Municipality could be exposed to.
- (h) That in addition, the Senior Manager: ICT must ensure that at least bi-annually, basis monitoring actions to mitigate ICT risk exposures are reported to the ICT Steering Committee, once established.

(i) That the City Manager must ensure that that all ICT Policies and Procedures are presented to Council at the end of November 2020 for REVIEW and APPROVAL; and thereafter for the Policies and Procedures to be implemented by the Senior Manager: ICT.

(j) That the City Manager must ensure that the new ICT Policies and Procedures are communicated to all users to ensure compliance.

21. ICT QUARTERLY REPORT PROGRESS MADE ON THE DEVELOPMENT OF THE ICT STRATEGY AND GOVERNANCE FRAMEWORK

Report dated 17 August 2020 by the Senior Manager: ICT (Ref: 6.1.1.4).

(Circulated separately as a late item from the Strategic Management Committee meeting held on Tuesday, 8 September 2020)

It was

AGREED

That the **ICT Quarterly** report dated 17 August 2020 by the Senior Manager: ICT, and progress made on the Development of the ICT Strategy and Governance Framework, be NOTED.

CONFIDENTIAL: NOT FOR PUBLICATION

16. ACTION PLAN TO ADDRESS THE 2018/2019 AUDITOR GENERAL AUDIT FINDINGS AS AT 31 AUGUST 2020 (REF:10.4.1)

Report dated 8 September 2020 by the Senior Manager: Financial Governance and Performance Reporting.

(Item 19 on agenda circulated separately via electronic mail and MS Teams)

NOTE BY SENIOR MANAGER: SECRETARIAT & AUXILLIARY SERVICES (ACTING)

Due to the strict confidentiality of this item, an extract of the minutes under this item has been given to the Audit Committee members ONLY and a copy filed in the official CONFIDENTIAL records.

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Report dated 8 September 2020 by the Senior Manager: Financial Governance and Performance Reporting.

(Circulated via electronic mail and MS Teams)

The Audit Committee requested that members be given some time to review the Annual Financial Statements.

The Chief Financial Officer was requested to ensure that a Working File was prepared on the 2019/2020 Annual Financial Statements for the Auditor General.

It was

**AGREED TO RECOMMEND TO THE
FULL COUNCIL**

That the **status on the preparation of the Annual Financial Statements for the year ended 30 June 2020**, as contained in the report dated 8 September 2020 by the Senior Manager: Finance Governance, be NOTED.

18. **INFORMATION COMMUNICATION AND TECHNOLOGY (ICT) AUDIT ACTION PLAN PROGRESS (REF: 5.1.1.3)**

Report dated 23 June 2020 incorporating recommendations of the Strategic Management Committee.

(Page 334 of agenda dated 25 August 2020)

The Audit Committee sought clarity on reasons why the Senior Manager: ICT was deviating from the action deadline of 30 June 2020, and requested that issues raised between July 2020 and September 2020 must be tabularised into the respective old issues.

The Senior Manager: ICT was requested to report on how the issue on legacy systems would be resolved, together with the associated budgetary provisions to replace the legacy issue.

Following discussion, it was

**AGREED TO RECOMMEND TO THE
FULL COUNCIL**

That the report dated 23 June 2020 incorporating recommendations of the Strategic Management Committee considering the **Progress on the Information, Communication and Technology Audit Action Plan**, be NOTED.

19. **REPORTS FROM MUNICIPAL ENTITIES: SAFE CITY**

No report was received at the time of preparing the agenda.

(Item 21 on agenda dated 25 August 2020)

The Business Unit was reprimanded for the non-submission of reports on the Safe City Entity. It was stressed that this must not recur; as both the Municipality and the Audit Committee, have legislated responsibilities with regards to the municipal entity. It was indicated that this was the second meeting at which the Audit Committee have not received reports from Safe City which amounted to **non-compliance with the Municipal Systems Act**.

20. **FINAL INTERNAL AUDIT REPORT ON THE REVIEW OF ADEQUACY AND EFFECTIVENESS OF THE IT GOVERNANCE, STRATEGY AND FRAMEWORK (REF:3.10.1.1)**

Report dated 1 June 2020 incorporating recommendations of the Strategic Management Committee.

(Page 1 of agenda dated 15 September 2020)

With regard to Item 6.4.1 on the report, clarity was sought on whether the Business Architecture and Governance Framework would be outdated, as ICT Policies were being considered in piece-meal instead of a consolidated approach.

It was noted that the ICT Steering Committee and the ICT Technical Committee were established and would be addressing all issues. It was further noted that there was an issue of non-attendance of officials at the ICT Technical Committee.

It was thereafter

**AGREED TO RECOMMEND TO THE
FULL COUNCIL**

That the Findings, Internal Audit Opinions on the inadequacy of the design of the System of Internal Controls and partial effectiveness of Operation of the System of Internal Controls around the IT Governance, Strategy and Framework be considered:-

- (k) That the Senior Manager: ICT, discuss with the General Manager: Corporate Services and the Chief Financial Officer and ensure that Budget / Funding is set aside for the Drafting Governance, reviewing and implementation of the IT Framework and IT Strategy. Thereafter, an assigned resource from the IT Department should be paired with the appointed service provider responsible for drafting the IT Governance Framework and IT Strategy to ensure skills transfer and going forward that the assigned individual is able to draft or update the IT Governance Framework and IT Strategy.
- (l) That the Senior Manager: ICT must ensure that the ICT Charter is revised / drafted and submitted to Council for approval and implementation. Thereafter, the City Manager must appointment senior management with IT Knowledge and Skills to serve on the ICT Steering Committee, with formal appointment letters issued to all ICT Steering Committee members. The City Manager must ensure that the ICT Steering Committee must meet in accordance with the interval / frequency set out in the ICT Charter, and that all meetings must be minuted.
- (m) That the Senior Manager: ICT must ensure that for all IT related projects, a Cost Benefit Analysis (Quantitative and Qualitative) is performed and documented based on stipulated business case and proposed benefits set out for the Project, prior to approval and implementation. This will ensure that proposed and actual returns on investments are measured and realized.
- (n) That the Senior Manager: ICT in conjunction with the Work-Study Officers must ensure that the ICT Organogram is updated to meet the current and future staffing needs to adequately support the municipality. Funding must be secured to ensure that identified and noted positions which are vacant on the ICT Organogram can be filled once the Moratorium on the Filling of Vacant Posts has been lifted.
- (o) That the City Manager must ensure that the BCP and DRP can be released to the Municipality; and
- (p) That the City Manager must ensure that the BCP and DRP is presented to ICT Steering Committee, and thereafter to the Full Council for REVIEW and ADOPTION.
- (q) That the Senior Manager: ICT must ensure that on a regular basis (at least bi-annually). The ICT Risk Register is updated to ensure that its accounts for and tracks current ITCT risks that the Municipality could be exposed to.
- (r) That in addition, the Senior Manager: ICT must ensure that at least bi-annually, basis monitoring actions to mitigate ICT risk exposures are reported to the ICT Steering Committee, once established.
- (s) That the City Manager must ensure that that all ICT Policies and Procedures are presented to Council at the end of November 2020 for REVIEW and APPROVAL; and thereafter for the Policies and Procedures to be implemented by the Senior Manager: ICT.
- (t) That the City Manager must ensure that the new ICT Policies and Procedures are communicated to all users to ensure compliance.

21. ICT QUARTERLY REPORT PROGRESS MADE ON THE DEVELOPMENT OF THE ICT STRATEGY AND GOVERNANCE FRAMEWORK

Report dated 17 August 2020 by the Senior Manager: ICT (Ref: 6.1.1.4).

(Circulated separately as a late item from the Strategic Management Committee meeting held on Tuesday, 8 September 2020)

It was

AGREED

That the **ICT Quarterly** report dated 17 August 2020 by the Senior Manager: ICT, and progress made on the Development of the ICT Strategy and Governance Framework, be NOTED.

22. INTERNAL AUDIT REPORT ON MOTOR VEHICLE DRIVER'S LICENSING CENTRE: COMMUNITY SERVICES: PUBLIC SAFETY (REF: 3.10.1.1)

Report dated 11 July 2020 incorporating recommendations of the Strategic Management Committee.

(Page 38 of agenda dated 15 September 2020)

The Chief Audit Executive reported that the report dated 11 July 2020 incorporating recommendations of the Strategic Management Committee considering the Motor Vehicle Drivers Licensing Center was previously considered at the Audit Committee.

NOTED.

23. FINAL INTERNAL AUDIT REPORT OF THE MUNICIPAL FORESTRY (REF:3.10.1.1)

Report dated 1 June 2020 incorporating recommendations of the Strategic Management Committee.

(Page 107 of agenda dated 15 September 2020)

It was

AGREED

That the General Manager: Sustainable Development and City Enterprises submits the progress report on the **Action Plan for the Municipal Forestry** to the next Audit Committee meeting, prior to this report being considered at the next meeting of the Full Council.

It was thereafter

**AGREED TO RECOMMEND TO THE
FULL COUNCIL**

- (a) That the report dated 1 June 2020 incorporating recommendations of the Strategic Management Committee considering the Final Audit Report on the Municipal Forestry, be NOTED.
- (b) That the resolutions of the Strategic Management Committee meeting held on 20 May 2020 under resolution (a), be NOTED.

24. ANNUAL AUDIT PLAN STATUS UPDATE AND THE PROPOSED REVISION OF THE ANNUAL AUDIT PLAN (REF:3.10.1.1)

Report dated 24 August 2020 by the Manager: Internal Audit.

(Circulated separately via electronic mail)

Audit Committee members expressed their disappointment that they could not be effective without the Internal Audit Unit being effective, and neither could management. It was stressed that Internal Audit played a critical role in the combined Assurance Model, and that this Unit must be independent.

The City Manager was instructed to ensure that Internal Audit was catered for by its reporting structure on governance matters through the Audit Committee and Council. The City Manager was also instructed to ensure that the Unit was effectively resourced, which as it was an administrative matter, which the City Manager took ultimate responsibility for.

Audit Committee members expressed their grave concern that in every meeting, they recommended that the Internal Audit Unit needed to be fully resourced and that these recommendations were not implemented.

The City Manager was reminded that failure to capacitate the Internal Audit Unit meant failure to implement the Municipal Finance Management Act and related legislation.

The Audit Committee requested that these concerns and frustrations be noted, as it was felt that these matters were being a repeat issue with no visible action or alternative plan to meet the legislated objectives of Internal Audit.

It was subsequently

**AGREED TO RECOMMEND TO THE
FULL COUNCIL**

- (a) That amendment of the Annual Audit Plan for the 2020/2021 Financial Year, be APPROVED.
- (b) That City Manager approve an additional budget for the Internal Audit Unit during the Mid-Term Budget Review.

CONFIDENTIAL: NOT FOR PUBLICATION

25. **CONFIRMATION OF CONFIDENTIAL MINUTES**

Meeting held on 25 June 2020.

(Page 1 of Confidential Committee Circular No.31 of 2020)

26. **FORENSIC INVESTIGATION INTO THE ALLEGED IREGULARITIES REGARDING THE BOOKINGS OF CITY HALL: MSUNDUZI MUNICIPAL EMPLOYEE: MS LUNGILE PRECIOUS NXUMALO: GENERAL ASSISTANT: PAY NO: 08584430 (REF:3.10.1.1)**

CONFIDENTIAL: NOT FOR PUBLICATION

27. **FORENSIC INVESTIGATION INTO ALLEGED ABUSE OF MUNICIPAL ASSETS (TRUCK AND TLBS) AND OVERTIME FRAUD BY SENIOR SUPERVISOR JT MBAMBO: PARKS AND CEMETERIES UNIT: COMMUNITY SERVICES BUSINESS UNIT: PAY NUMBER: 5500079 (REF: 3.10.1.1)**

CONFIDENTIAL: NOT FOR PUBLICATION

28. **REPORT ON CONSULTING ENGAGEMENT ON THE MONTH-END DISCIPLINE AS AT 1 JULY 2019 TO 18 JUNE 2020: CONSEQUENCE MANAGEMENT: CURRENT LABOUR MATTERS AND OTHERS DEALT : 1 JULY 2020 TO 13 AUGUST 2020 (REF: 3.10.1.1)**

CONFIDENTIAL: NOT FOR PUBLICATION

29. **FOLLOW-UP INTERNAL AUDIT REPORT ON QUARRY (REF:3.10.1.1)**

CONFIDENTIAL: NOT FOR PUBLICATION

30. **HOUSING RENTAL TENANCY: STATUS OF ARREARS AND PROGRESS: JULY 2020 (REF: 3.7.1)**

NOTE BY SENIOR MANAGER: SECRETARIAT & AUXILLIARY SERVICES (ACTING)

Due to the strict confidentiality of this item, an extract of the minutes under this item has been given to the Audit Committee members ONLY and a copy filed in the official CONFIDENTIAL records.

27 Oct
2020

STATUS UPDATE ON PREPARATION OF THE ANNUAL FINANCIAL STATEMENTS FOR THE 2019/2020 FINANCIAL YEAR (REF: 3.7.1(2020/2021))

Report dated 2 October 2020 incorporating recommendations of the Strategic Management Committee.

(Page 24 on agenda)

The Senior Manager: Finance and Governance and Performance reported that the concerns raised by National Treasury and the Internal Audit have been addressed.

Audit Committee member (Ms B Kemp) undertook to submit comments on the Annual Financial Statements to the Senior Manager: Finance and Governance and Performance.

The committee was subsequently advised that special adjustments were done to factor in the Covid-19 expenditure, and that large variances were looked at on the Annual Financial Statements.

The Chief Financial Officer notified the committee that the cash flow had been low which impacted negatively on council funded projects. She reported that in terms of impairment, a reconciliation was prepared for non-cash items.

After extensive discussion, the Audit Committee noted the effort exerted by management in ensuring timely preparation of the Annual Financial Statements with minimal errors on the face.

The committee supports for the Annual Financial Statement to be submitted to the Auditor General on 30 October 2020 but expressed concerns with the credibility of the debtors' book.

It was therefore

RESOLVED

- (a) That the **status update and power point presentation on the preparation of the Annual Financial Statements for the 2019/2020 Financial Year as at 30 June 2020**, as contained in the report dated 2 October 2020 incorporating recommendations of the Strategic Management Committee, be NOTED.
- (b) That the Audit Committee renders its support for the Annual Financial Statements to be submitted to the Auditor General on 30 October 2020.

5. **PRESENTATION ON THE SPECIAL ADJUSTMENT BUDGET FOR THE 2020/2021 FINANCIAL YEAR**

(Page 29 on agenda)

It was

RESOLVED

That the presentation on the **Special Adjustment Budget for the 2020/2021 Financial Year**, be NOTED.

6. **FINAL INTERNAL AUDIT REPORT ON THE AUDIT OF THE 2018/2019 ANNUAL REPORT (REF: 3.10.1.1)**

Report dated 1 June 2020 incorporating recommendations of the Strategic Management Committee.

(Page 137 on agenda)

It was

**AGREED TO RECOMMEND TO THE
FULL COUNCIL**

That the findings and management comments as contained in the report dated 1 June 2020 incorporating recommendations of the Strategic Management Committee considering the **Final Internal Audit Report on the Audit of the 2018/2019 Annual Report**, be considered.

7. **SAFE CITY ANNUAL FINANCIAL STATEMENTS FOR THE 2019/2020 FINANCIAL YEAR BY THE HEAD: SAFE CITY FINANCE**

(Page 41 on agenda)

The Audit Committee was advised that expenditure included depreciation and rentals. In addition to this, it was indicated that the Safe City Budget was prepared on a cash basis.

After discussion the committee noted the effort exerted by management in ensuring timely preparation of the Safe City Annual Financial Statements for the 2019/2020 financial year with minimal errors. The committee supports for the Safe City Annual Financial Statements to be submitted to the Auditor General on 30 October 2020.

It was therefore

**AGREED TO RECOMMEND TO THE
FULL COUNCIL**

- (a) That the **Safe City Annual Financial Statements as at 30 June 2020 for the 2019/2020 Financial Year**, as contained be NOTED.
- (b) That the Audit Committee renders its support for the **Safe City Annual Financial Statements for the 2019/2020 Financial Year** to be submitted Auditor General on 30 October 2020.
- (c) The Audit Committee requested that supplementary information must be included in the Safe City Annual Financial Statements.

8. **MSUNDUZI MUNICIPALITY - AUDIT OF PERFORMANCE INFORMATION: QUARTER 4 AND FINAL INTERNAL AUDIT REPORT ON QUARTER 4 OF THE ANNUAL REPORT FOR THE 2019/2020 FINANCIAL YEAR (REF:3.10.1.1)**

(Item 16 on agenda)

The committee noted that Internal Audit Unit had conducted an audit on the Quarter 4 Audit of Performance Information and Annual Performance Report and that the Performance Management Unit was updating the Appraisals with findings raised by internal audit.

The committee further noted that the Performance Management Unit would sit with internal audit to make adjustments on the Annual Performance Report and supported that the Annual Performance Report be submitted to Auditor General.

It was therefore

AGREED

- (d) That the update on the **Audit of Performance Information for Quarter 4 and the Final Internal Audit Report on Quarter 4 of the Annual Report for the 2019/2020 Financial Year**, be NOTED.
- (e) That the Audit Committee renders its support for the **Audit of Performance Information for Quarter 4 and the Final Internal Audit Report on Quarter 4 of the Annual Report for the 2019/2020 Financial Year**, to be submitted Auditor General, subject to adjustments to be made subsequent to the briefing with the Performance Management Unit and Internal Audit.

9. FINAL INTERNAL AUDIT REPORT ON THE REVIEW OF THE ANNUAL FINANCIAL STATEMENT FOR THE YEAR ENDED 30 JUNE 2020: SAFE CITY MSUNDUZI NPC (REF: 3.10.1.1)

Report dated 6 October 2020 by Manager: Assurance (Ref:A4-2020/2021).

(Page 163 on agenda)

It was

**AGREED TO RECOMMEND TO THE
FULL COUNCIL**

- (a) That the findings around the Final Internal Audit Report on the Annual Financial Statement for the year ended 30 June 2020: Safe City Msunduzi NPC, be considered.
- (b) That Management must disclose the reclassification in the form of a note.
- (c) That Management must ensure that the Safe City entity must prepare a budget regarding all donations to be made during the year, as well as to ensure that there was a reconciliation prepared on the budget which was prepared on a cash basis.

10. FINAL INTERNAL AUDIT REPORT ON THE REVIEW OF THE ANNUAL FINANCIAL STATEMENT FOR THE YEAR ENDED 30 JUNE 2020 (REF: 3.10.1.)

Report dated 21 October 2020 by Manager: Assurance (Ref:A3-2020/2021).

(Page 195 on agenda)

It was

**AGREED TO RECOMMEND TO THE
FULL COUNCIL**

- (a) That the Chief Financial Officer must ensure that the process of finalizing adjustments is concluded speedily as it is still continuing as at the date of this report.
- (b) That a proper reconciliation must be performed between the General Ledger and the Annual Financial Statements, if the adjustments will not be passed in the General Ledger.
- (c) That a prior period note must be prepared and reconciled with the Annual Financial Statements for both 2019 and 2020 comparatives.
- (d) That management must ensure the following:
- That only relevant information is contained in the working paper file,
 - That all scheduled in the file are properly referenced and cross-referenced,
 - That all relevant schedules in the file are properly signed off,

- That the Annual Financial Statements are properly referenced to the lead schedules in the working paper.
- (e) That management must ensure that this file is properly compiled prior to submitting to the Auditor General.
- (f) That management must ensure that the prior errors are properly disclosed to enable for their effective evaluation. The disclosure should briefly detail out:-
- What the error was,
 - How the error arose and what steps were taken to identify the error;
 - Its impact on the disclosures (which have been adequately disclosed).
- (g) That management should perform a detailed reconciliation of the General Ledger against the disclosures in the Annual Financial Statements and to ensure that all discrepancies are properly explained in the working papers that support the Annual Financial Statements.
- (h) That the Revenue Unit should submit the correct impairment calculations for both years to the preparers of the Annual Financial Statements.
- (i) That the necessary adjustments should be made on the Annual Financial Statements to reflect correct impairment and carrying values of consumer debtors for both years.
- (j) That the Statement of Changes in Net Assets should be adjusted for all discrepancies in the Consumer Debtors and other General Ledger Accounts.
- (k) That the Cash Flow Statement should be adjusted for all discrepancies in the in the Consumers Debtors and other General Ledger Accounts.

11. **UPDATE BY THE OFFICE OF THE AUDITOR GENERAL**

(Item 9 on the agenda)

The Manager: AGSA (Mr H Makhanyela) indicated that his office had no written report to share with the committee, and subsequently provided the committee with a verbal update.

The Manager: AGSA reported that there had been a change in the Auditor General Team in regard to the position of the Acting Deputy Business Executive.

The committee was advised that the Auditor General would close for the year end on 11 December 2020 and would reopen on 11 January 2020. Mr Makhanyela informed the committee that the Engagement Letter would be updated. He advised the Audit Committee members that the Auditor General Team was on site. He indicated that the Auditor General had a different approach for its Team in terms of execution and planning on site. He mentioned that the approach was to issue problematic items and to issue findings early as possible thereby ensuring that management would have sufficient time for responses.

On behalf of the Audit Committee, Ms B Kemp congratulated the Office of the Auditor General on the appointment of Ms Tsakani Maluleke as the first female Auditor General.

NOTED.

12. **CLOSURE OF PROCEEDINGS**

(Raised verbally)

	<p>The Chairperson indicated that the main Audit Committee agenda, Confidential Committee Circular No. 44 of 2020, together with an update on the Performance Management Audit and Feedback on the status of vacant positions within the Internal Audit Unit would be considered at the next meeting.</p> <p>The Committee was advised that due to Audit Committee member (Ms B Kemp) having a family commitment, the proceedings would not be quorate to continue.</p> <p>It was therefore</p> <p style="text-align: center;">AGREED</p> <p>That the remaining agenda items be deferred for consideration to the next meeting of the Audit Committee which will reconvene within the next two weeks, the date of which will be communicated in due course.</p>
20 Nov 2020	<p><u>OUTSTANDING MATTERS REPORT</u></p> <p>Report dated 20 October 2020 by Corporate Services Business Unit.</p> <p>(Page 21 on agenda)</p> <p>3.2 <u>ICT Monthly Reporting</u></p> <p>It was noted that the ICT Quarterly Report was not on the current agenda for the last two consecutive meetings, despite this being a standing agenda item. Committee members sought clarity from the Senior Manager: ICT on whether he was familiar with the information required by the Audit Committee and that a blanket report which the business unit submitted to other council structures would not be specific to the reporting issues that was required by the Audit Committee.</p> <p>The Senior Manager: ICT indicated that issues of policies and strategies have been dealt with at the Full Council meeting in October 2020, and would be reported on at the next meeting of the Audit Committee.</p> <p>Audit Committee member (Mr Mazwi Shongwe) undertook to submit a guideline of the strategic issues that all future monthly ICT reports must be based upon, which would cover the business units management of risks for the month, managing the ICT spending plans, reporting on incidents of sabotage, updates on approvals of ICT Strategies etc. He advised that the basis for the ICT Report must be a strategic view of the ICT Environment for that specific month.</p> <p>3.3 <u>Reporting on Covid-19 Expenditure</u></p> <p>There Chief Financial Officer reported that she would be presenting a report on the Covid-19 towards the end of the meeting.</p> <p>It was</p> <p style="text-align: center;">AGREED</p> <p>That the Outstanding Matters Report dated 20 October 2020 by Corporate Services Business Unit, be NOTED subject to the removal of the following items:-</p> <ul style="list-style-type: none"> • Item 1: Debt Write-off Process by applying the EEDBS Policy • Item 2: Problems with IDT • Item 4: Handing over of SAP to ICT • Item 5: Outstanding Debtors: Title Deeds Programme • Item 6: Deviation on non-reading of meters during Level 1 of Covid-19

AUDITOR GENERAL MATTERS

4. UPDATE BY THE OFFICE OF THE AUDITOR GENERAL

(Item 9 on the agenda)

On behalf of the Audit Committee, Audit Committee member (Ms B Kemp) extended condolences to the staff of the Auditor General and to the family and friends of the late outgoing Auditor-General (Mr Kimi Makwetu).

The Senior Manager: AGSA indicated that the staff were saddened by Mr Kawetu's death, and thanked the members of the Audit Committee for the message of condolence, which they will pass onto the staff and family of Mr Kimi Kawetu.

The Senior Manager: AGSA reported that the audit was progressing well, and that there was constant interaction with action. He informed the committee that the Office of the Auditor-General was due to close on 11 December 2020.

However, as a result of operational matters, the date of closure for the festive season had been revised to close on 18 December 2020.

Responding to a query raised by National Treasury Representative (Mr Leslie Holland), the Manager: AGSA confirmed that findings on some of the major sections such as revenue, assets and related disclosures have been prioritized in terms of execution in key areas. He indicated that the audit was still in its early stages, whereby four findings were shared with management in regard to the compliance or the reporting framework of the financial statements. The Senior Manager: AGSA indicated that these findings would be assessed based on the responses from Msunduzi management.

The Senior Manager: AGSA informed the committee that management was meeting the deadlines and that he was hopeful that the report would be signed on time.

The National Treasury Representative (Mr Leslie Holland) indicated that in terms of medium term strategic goals, reduction on audit goals was a key. He reported that National Treasury was available to provide assistance to management.

It was

AGREED

That the verbal update by the Manager: AGSA on the 2019/2020 Report by the Auditor General, be NOTED.

5. PROGRESS ON AUDITOR GENERAL TRACKING TOOL ACTION PLAN

(Item 12 on agenda)

5.1 Audit Committee member (Ms B Kemp) indicated that some findings listed on Annexure A were repeat findings in that the root causes were systematic. She acknowledged that whilst the Audit Action Plan was coordinated by the Finance Business Unit, the office of the Municipal Manager or the Infrastructure Business Unit or Full Council needed to take ownership of the Audit Action Plan as **majority of the issues raised by the Auditor General were service delivery matters**. Ms Kemp advised that the Action Plan needed to be made more realistic in that the **actual root causes must be addressed within a twelve-month period**, whereas currently, strategic issues got resolved in approximately five years. She thereafter commended management on resolving some of the issues on the Audit Action Plan.

5.2 The Chief Financial Officer reported that a policy on Water Losses for the Entire City for the 2019/2020 and 2020/2021 financial years was in the process of being developed. She informed committee

members that such technical matters and financial losses could be developed for inclusion on the **proposed three-year strategic Audit Action Plan**. She indicated that management needed to determine whether such business unit plans could be used to address some of the root causes in the Action Plan.

5.3 Mr Holland (National Treasury Representative) advised that there needed to be a fundamental level of internal control to address issues of risk to deal with Msunduzi's municipal objectives. He reminded the committee that the ultimate responsibility of the Audit Action Plan rested with the Accounting Officer. Mr Holland reported that the National Treasury raised the following concerns regarding the Audit Action Plan:

The adequacy of management actions which did not address root causes raised by the Auditor General,
Responsibility in dealing with the root causes rested with the user departments;
Actions to address the findings and the root causes;
Confirmation on whether there was a proper understanding of the findings during management's engagement with the Auditor General;
Monitoring of the Plan was another finding;
The role of Internal Audit to assist management to improve internal controls;
The role of the Audit Committee and the Municipal Public Accounts Committee to ensure that remedial action was taken by management.

5.4 Mr Holland (National Treasury Representative) appealed to management to ensure that there was robust risk assessment. He indicated that some assessments could go over one financial period. He also requested that management must give consideration to the recommendations of the Internal Audit Unit and the Audit Committee.

5.5 The Committee was advised that the Audit Action Plan was a standing item of the Strategic Management Committee, where it was deliberated on by the City Manager and the General Managers.

It was

AGREED

- (a) That the presentation on the **Auditor General Tracking Tool Action Plan**, be NOTED.
- (b) That the final responsibility of the Audit Action plan rests with the Accounting Officer.
- (c) That the Chief Financial Officer develop a separate Audit Action Plan to address strategic issues that will take more than one financial year to resolve.
- (d) That the General Managers of each business unit be responsible for developing plans to address the root causes of the respective findings.

6. INTERNAL AUDIT REPORT ON MOTOR VEHICLE DRIVER'S LICENSING CENTRE: COMMUNITY SERVICES: PUBLIC SAFETY (REF: 3.10.1.1)

Report dated 11 July 2020 incorporating recommendations of the Strategic Management Committee.

(Page 67 on agenda)

Noting that the Driver's License Centre was running at a loss to council, Audit Committee members sought clarity as to the reasons why the 2015 findings remained unresolved, over and above the new audit findings. In addition to this, the committee queried reasons why the high risk exposures were not resolved. Members of the Audit Committee offered assistance to the management to ensure that there would be no repeat findings.

The Municipal Manager was requested to undertake a detailed analysis of the root causes, and ensure that consequence management was applied for the non-performance in this regard.

The Senior Manager: Public Safety, Emergency and Disaster Management provided the committee with some background into the establishment of this facility. He explained that this was an initiative that was introduced to council as a means to generate revenue during the period with the municipality was under its first administration in 2012. He indicated that a business plan was submitted to the Administration team and to the Department of Transport. In response to the proposal by Msunduzi, the Department of Transport was in support of the initiative and had indicated to Msunduzi Municipality that the Post Offices were unable to cope with the transactions. The committee was informed that the Department of Transport was prepared to allocate more functions on a similar basis to Council on condition that the initiative was operating smoothly and efficiently, and that the Department of Transport would pay Msunduzi Municipality a commission for providing this service.

The Senior Manager: Public Safety, Emergency and Disaster Management further indicated that the Department of Transport conducted its own audit on a monthly basis. Committee members were informed that training of staff was undertaken by the Department of Transport, and that administration records were kept on the ENatis system. The Senior Manager: Public Safety, Emergency and Disaster Management requested that an intervention was required for the audit teams of Msunduzi Municipality and Internal Audit to meet to look at these findings.

Committee members were advised that this report was also currently before the Community Services Portfolio Committee.

Noting the background to the establishment of the Driver's License Test Centre, committee members expressed concern that management did not resolve any of the findings over the past 5 years, and that management was now raising their concerns at this meeting instead of when these findings were raised in 2015. Audit Committee members reminded management that this report was a follow-up report. Management was instructed to correct these findings as a matter of priority.

It was thereafter

**AGREED TO RECOMMEND TO THE
FULL COUNCIL**

- (a) That the findings, internal audit opinions on around the inadequacy of the design and ineffective **operation** of the system of internal controls at Motor vehicle drivers licensing centre be considered.
- (b) That the office space should be reviewed to consider extending the storage facility so that all supporting documents are filed and kept in safe repository area.
- (c) That whilst the office space is inadequate, Council should make a determination whether it would want to continue providing this service which is not a core business of the municipality at a loss or would consider to close it down after discussion with the Provincial Department of Transport as the service does not make business sense to the municipality.
- (d) That access should be restricted to only DLTC staff and ensure that all documents are locked in a safe area.
- (e) That compliance with the requirements per Government Gazette No.28446 Vol. 490 dated 7 April 2006 must be enforced where all application forms processed shall be filed according transaction date and in alphabetical order.
- (f) That all prescribed documentation should be filed in alphabetical order (using effective date).
- (g) That learner and driving license documentation should be filed separately in proper alphabetical order.

- (h) That documentation should be scanned and saved on the eNatis system and the original documents filed in accordance to the prescribed number of years.
- (i) That all professional drivers' permits should be accompanied by SAPS clearance certificates confirming applicant has not criminal record, valid ID documents and proof of address not older than three (3) months, if the application does not include any of the above-mentioned documents, the transaction should not be processed.
- (j) That application forms should be filed in a secure place at the premises of the Msunduzi driving centre with all supporting documents attached.
- (k) That management should consider alternative work space area that will accommodate the volume of documents that needs to be stored in a safe lockable area to prevent unauthorized access.
- (l) That every room/office area where persons work shall have sufficient floor area, height and unoccupied space for purposes of health, safety and welfare.
- (m) That at a minimum the workspace area should meet the following conditions:
 - i) **Maintenance:** make sure the workplace, equipment, devices and systems are maintained, in working order and in good repair.
 - ii) **Ventilation:** make sure enclosed workplaces are ventilated and have enough fresh and
 - iii) **Temperature:** maintain a reasonable temperature inside building during working hours. Enough thermometers must be provided.
 - iv) **Cleanliness:** keep workplaces and furnishings clean. Waste materials must not accumulate, except in suitable containers.
 - v) **Workstations:** must be suitable for the worker and work. A suitable seat must be provided where necessary.
 - vi) **Space:** make sure workrooms have enough floor area, height and unoccupied space.
 - vii) **Traffic:** organize workplaces to allow safe traffic circulation by pedestrians
- (n) That management should ensure that reconciliation are prepared and signed off as evidence of review. The reviewer of the reconciliation should only sign upon ensuring that supporting documentation are attached to support the balances reflected on the reconciliation.
- (o) That all reconciling items must be matched to supporting documentation to ensure validity and completeness of transactions recorded onto the system.
- (p) That the reviewer and prepare should ensure that the reconciliation is signed to accept accountability of approving accuracy and completeness of the bank reconciliation.
- (q) That consistently in procedure applied monthly shall be enforced and any deviation to this must be dealt with effectively.
- (r) That management should ensure that reconciliations are prepared and signed off as evidence of review. The reviewer of the reconciliation should only sign upon ensuring that supporting documentation are attached to support the balances reflected on the reconciliation.
- (s) That all reconciling items must be matched to supporting documentation to ensure validity and completeness of transactions recorded onto the system
- (t) That the reviewer and prepare should ensure that the reconciliation is signed to accept accountability of approving accuracy and completeness of the bank reconciliation.
- (u) That consistently in procedure applied monthly shall be enforced and any deviation to this must be dealt with effectively.

7. **RISK MANAGEMENT REPORT ON MUNICIPAL SIX STRATEGIC RISKS (REF:3.10.1.1)**

Report dated 24 August 2020 by the Chief Audit Executive.

(Page 246 of agenda)

The committee was advised that the Senior Manager: Strategic Planning had passed away in September 2020. Therefore, the development of the performance indicators and the performance targets could not be achieved. It was noted that the appointment of the Chief Risk Officer was finalized, and that as soon as the incumbent was available, these risks along with other risks would be dealt with by the Chief Risk Officer.

It was

**AGREED TO RECOMMEND TO THE
FULL COUNCIL**

- (a) That the Municipal Manager and General Managers assisted by the Senior Managers must develop performance indicators and the performance targets that have clear timeframes, key performance indicators, risk/action owners against each and every intervention to address the **six strategic risks** and these should comply with smart principle (Specific, Measurable, Attainable, Relevant and Time-bound).
- (b) That the development of the performance indicators and the performance targets must be facilitated by the Senior Manager: Strategic Planning (Acting) as the strategic risk management interventions must be part and parcel of the strategy of the municipality.
- (c) That the development of the performance indicators and the performance targets be done within a period of 30 days from the resolution of the Risk Management Committee.
- (d) That the developed performance indicators and the performance targets be incorporated to the performance agreements of the Municipal Manager, General Managers and Senior Managers.
- (e) That the Chief Risk Officer must conduct a review of the performance indicators and the performance targets and progress of implementation of the **risk intervention strategies on quarterly basis** with the first review due by **30 January 2021**.

8. **REPORT ON WHISTLE BLOWING HOTLINE FOR 01 JULY 2020 TO 30 SEPTEMBER 2020 (REF:3.10.1.1)**

Report dated 2 October 2020 by Chief Audit Executive (Ref:WBH/19-20).

(Page 270 on agenda)

In response to a query regarding what actions were taken once reported, the Chief Audit Executive indicated to the committee that feedback reports were needed to follow through on the Whistle Blowing Hotline reporting.

It was

**AGREED TO RECOMMEND TO THE
FULL COUNCIL**

That the report dated 2 October 2020 by Chief Audit Executive (Ref:WBH/19-20) considering the report on the **Whistle Blowing Hotline for 1 July 2020 to 30 September 2020**, be NOTED.

9. **PROGRESS REPORT ON INTERNAL AUDIT FINDINGS FOR THE 2016/17, 2017/18 AND 2018/19 FINANCIAL YEARS and PRESENTATION ON THE INTERNAL AUDIT TRACKING TOOL (REF: 3.10.1.1)**

Report dated 20 October 2020 by Senior Manager: Office of the City Manager (Ref.1).

(Pages 274 and 281 on agenda and attachments on the Audit Committee agenda link)

Audit Committee member (Ms B Kemp) extended her appreciation for the management reports which the committee was now receiving regularly, and she subsequently sought clarity on reasons why issues remained unresolved.

The Manager: Organizational Performance and Knowledge Management (Acting) reported that some of the findings being queried were repeat findings, with some findings being unachievable, and with other findings business units were not submitting information. In this regard, the committee was informed that the normal performance management protocols were adhered to, along with the respective portfolio of evidence being filed. In addition to this, committee members were advised that this report was a standing item at the weekly meetings of the Strategic Management Committee, whereby senior management was required to give update the City Manager.

The National Treasury Representative (Mr Leslie Holland) urged that Internal Audit must indicate the classification of the risk ratings based on these findings, and that management must provide reasons why issues were unresolved.

It was

**AGREED TO RECOMMEND TO THE
FULL COUNCIL**

- (a) That the progress report dated 20 October 2020 by the Senior Manager: Office of the City Manager (Ref.1) for the **2016/17, 2017/18 and 2018/19 financial years**, and the presentation of the Internal Audit Tracking Tool, be NOTED.
- (b) That the City Manager must provide the Audit Committee with strategies to ensure that all outstanding findings were resolved.

10. **PRESENTATION AND DASHBOARD OF THE FINANCIAL RECOVERY PLAN**

(Page 290 of agenda and Audit Committee agenda link)

In response to a query, the General Manager reported that a decision was taken for performance management to cascade to all levels, and that this process would be coordinated by the Corporate Services business unit. She indicated that the business unit was in the process of developing the policy of cascading performance management from level 3 to all other levels within the municipality. Committee members were advised that the business unit was working the South Africa Local Government Association (SALGA) adaptations of the of the policy, and that once the Policy was developed, it would be submitted to the Local Labour Forum.

It was

AGREED

That the presentation and dashboard on the **Financial Recovery Plan**, be NOTED.

11. **PRESENTATION ON THE STATUS OF RECRUITMENT OF INTERNAL AUDIT POSTS FOR THE 2019/2020 AND 2020/2021 FINANCIAL YEARS**

Presentation dated 18 November 2020 by the General Manager: Corporate Services.

(Circulated separately via email)

The committee thanked the General Manager: Corporate Services for the detailed presentation on the filling of vacancies with the Internal Audit Unit.

It was

AGREED

That the detailed presentation on the **Status of Recruitment of Internal Audit Posts for the 2019/2020 and 2020/2021 financial years** be NOTED.

12. PRESENTATION ON REVENUE COLLECTION FOR THE MONTHS OF AUGUST 2020 AND SEPTEMBER 2020

(Pages 304 and 323 of agenda and on Audit Committee agenda link)

The improvement in the collection rate in September 2020 was noted.

Committee members indicated that the outstanding debtors amount of approximately R4,5 billion was not being reduced. In consideration of this amount, clarity was sought on the habits of the paying consumers, as well as who were the 93% of consumers that were paying.

The Senior Manager: Revenue (Acting) reported that approximately 84 000 consumers made regular payments on their municipal bills, with approximately 64 000 consumers being in arrears. The Senior Manager: Revenue (Acting) informed committee members that he was compiling a detailed report in this regard.

Audit Committee member (Ms B Kemp) requested that the report be further ring-fenced into good payers, and bad payers.

Noting that the business unit had a collection rate of 97%, the Senior Manager: Revenue (Acting) was requested to maintain the current collection rate, and also ensure that there was focus on collecting the arrear amounts owing by all consumers.

It was

AGREED

That the presentations of **Revenue Collection for the months of August 2020 and September 2020**, be NOTED.

13. INTERNAL AUDIT REPORT: DEBTORS MANAGEMENT: ACTION PLAN TRACKING TOOL (REF:3.10.1.1)

Report dated 21 August 2020 by Manager: Debtors Management (*unsigned report and not booked in*).

(Page 342 of agenda)

It was

AGREED

(a) That the Debtors Management Action Tracking Tool, be NOTED.

- (b) That it be noted that the Portfolio of Evidence will be submitted to the Internal Audit Unit for review on a quarterly basis.

14. **DEBTORS AGE ANALYSIS AS AT 31 AUGUST 2020 and 30 SEPTEMBER 2020 (REF:3.3.1.2.1)**

Reports dated 7 September 2020 and 7 October 2020 by Manager: Debtors Management (*unsigned report and not booked in*).

(Pages 346 and 353 on agenda)

It was

AGREED

- (a) That the age analysis of the municipal debtors and collections rates achieved for the months of **August 2020** and **September 2020**, be noted.
- (b) That the restriction of water by the 2 plumbers, be noted.
- (c) That the impact of COVID 19 on the Revenue Collection Levels of Council be noted.
- (d) That it be noted that the Revenue Staff have begun disconnections and are calling debtors, reminding them to make payment on their municipal account.
- (e) That the progress of the collections be noted.
- (f) That it be noted that the Warrant of Executive obtained against a debtors with arrear debt.
- (g) That the planned date of 21 November 2020 of the property auction against the debtor with arrear debt, be noted.

15. **CONFIRMATION OF BILLING: ACCOUNT NUMBERS 03720342 AND 3715470 (REF:**

Report dated 7 October 2020 by Manager: Debtors Management (*unsigned report and not booked it*).

(Page 360 of agenda)

With regard to the issue of the delays in billing of the Msunduzi Housing Association, it was indicated that if the MHA was collecting rentals and not paying for their municipal services, this was deemed as an act of fraud. In light of this issue, the Senior Manager: Revenue was requested to closely monitor this matter.

It was

AGREED

That the report dated 7 October 2020 by Manager: Debtors Management considering the **Confirmation of Billing for Account Numbers 03720342 and 3715470**, be NOTED.

16. **SECTION 66 OF THE MUNICIPAL FINANCE MANAGEMENT ACT NO.56 OF 2003: EXPENDITURE ON STAFF BENEFITS REPORT: JULY 2020 (REF:3.7.P)**

Report dated 14 August 2020 by the Financial Controller.

(Page 363 of agenda)

It was

AGREED

That the report dated 14 August 2020 considering the **Section 66 of the Municipal Finance Management Act No.56 of 2003: Expenditure on Staff Benefits for the month of July 2020**, be NOTED.

17. SECTION 66 OF THE MUNICIPAL FINANCE MANAGEMENT ACT NO.56 OF 2003: EXPENDITURE ON STAFF BENEFITS REPORT: AUGUST 2020 AND SEPTEMBER 2020 (REF:3.7.P)

(i) Report dated 2 October 2020 incorporating recommendations of the Strategic Management Committee.

(ii) Report dated 9 October 2020 by the Senior Manager: Budget Planning, Implementation and Monitoring Planning (Ref:3).

(Pages 376 and 394 of agenda)

It was

AGREED

(a) That the report dated 2 October 2020 incorporating recommendations of the Strategic Management Committee considering the **Section 66 of the Municipal Finance Management Act No.56 of 2003: Expenditure on Staff Benefits for the months of August 2020 and September 2020**, be NOTED.

(b) That the Chief Financial Officer, in conjunction with the City Manager and the General Manager: Sustainable Development review the budget assumption for the Sustainable Development and City Entities business unit on the year- to-date of R29 million which had a variation of R3,5 million.

18. SECTION 71 OF THE MUNICIPAL FINANCE MANAGEMENT ACT NO.56 OF 2003: JULY 2020 / AUGUST 2020 / SEPTEMBER 2020 (REF: 3.7.P)

(i) Report dated 20 August 2020 by the Accountant: Budget.

(ii) Report dated 2 October 2020 incorporating recommendations of the Strategic Management Committee.

(iii) Report dated 12 October 2020 by the Senior Manager: Budget Planning, Implementation and Monitoring Planning (Ref:2).

(Pages 410, 460 and 513 of agenda)

In response to a query, the Chief Financial Officer reported that Msunduzi Municipality had entered into an agreement with Eskom to pay off the arrears, noting that the current amount owing to Eskom was paid up-to-date.

It was thereafter

AGREED

That the report dated 20 August 2020 by the Accountant: Budget considering the **Section 71 of the Municipal Finance Management Act No.56 of 2003 (as amended) for the months of July 2020, August 2020 and September 2020**, be NOTED.

19. CONDITIONAL GRANTS: UNSPENT BALANCES OF CONDITIONAL GRANTS AS AT 18 SEPTEMBER 2020 AND 25 SEPTEMBER 2020 (REF:3.4.5)

(i) Report dated 28 September 2020 by the Senior Manager: Budget Planning, Implementation and Monitoring.

(ii) Report dated 2 October 2020 incorporating recommendations of the Strategic Management Committee.

(Pages 559 and 562 of agenda and attachments are on the Audit Committee agenda link)

It was

AGREED

That the reports dated 28 September 2020 by the Senior Manager: Budget Planning, Implementation and Monitoring and 2 October 2020 incorporating recommendations of the Strategic Management Committee considering the **Unspent Balances of Conditional Grants as at 18 September 2020 and 25 September 2020**, be NOTED.

20. **IRREGULAR EXPENDITURE FOR 2019/2020 FINANCIAL YEAR (REF:3.7.1(2019/2020))**

Report dated 9 July 2020 by the Manager: Demand and Acquisition.

(Page 573 of agenda)

The Head: Supply Chain Manager informed the committee that all cases of irregular expenditure have submitted for investigation. She reported that due to the numerous plans and procedures that have been implemented within the business unit, there had been a reduction in the cases of irregular expenditure from the 2018/2019 to the 2019/2020 financial years.

Audit Committee member (Ms B Kemp) cautioned management that the irregular expenditure of R 30 million would be challenged by the Auditor General, as this amount was unaudited.

It was

AGREED

- (a) That the irregular expenditure for the 19/20 financial year amounting to **R 30 469 016,77** be subject to an investigation and review by Internal Audit to determine if Council can authorize the write off or institute disciplinary measures against the responsible official and or start the recovery process, if possible.
- (b) That in terms of Section 32 (4) of the Municipal Finance Management Act, the MEC for Local Government in the Province and the Auditor General be advised in writing of the irregular expenditure incurred.
- (c) That the Chief Financial Officer, in consultation with National Treasury Representative (Mr Leslie Holland) provide the Audit Committee and Council with feedback on the Strategy to Reduce Irregular / Fruitless and Wasteful Expenditure.

21. **IRREGULAR EXPENDITURE FOR THE FIRST QUARTER FOR 2020/21 (REF:3.7.1(2020/2021))**

Report dated 5 October 2020 by Senior Manager: Supply Chain Management.

(Page 582 of agenda)

It was

AGREED

- (a) That **irregular expenditure for the first quarter of the 2020/2021 financial year** amounting to **R 4 915 490.05** be subject to an investigation and review by Internal Audit to determine:-
- (i) if Council can authorize the write off or institute disciplinary measures against the responsible official and or start the recovery process, if possible or start the recovery process if possible;
 - (ii) or if the council can authorize the amount incurred be written off as irrecoverable.
- (b) That in terms of Section 32 (4) of the Municipal Finance Management Act, the MEC for Local Government in the Province and the Auditor General be advised in writing of the irregular expenditure incurred.

22. FRUITLESS AND WASTEFUL EXPENDITURE: QUARTERLY REPORT FOR THE PERIOD 1 JULY 2020 TO 30 SEPTEMBER 2020 (REF: 3.7.1(2020/2021))

Report dated 30 September 2020 by the Senior Manager: Expenditure (Ref:3.7.1(2020/2021)).

(Page 589 of agenda)

It was

AGREED

- (a) That the **Fruitless and Wasteful Expenditure** incurred during the **first quarter (01 July 2020 to 30 September 2020) of the 2020/2021 financial year** be considered.
- (b) That the **municipal council appoints a relevant committee** to be tasked to **investigate the fruitless and wasteful expenditure** in terms of Section 32 (2)(b)(2) of the Municipal Finance Management Act, Act 56 of 2003 and report the findings to council for consideration.

23. REPORT ON DEVIATIONS, EMERGENCY/URGENT WORK UNDERTAKEN AS AT JULY 2020 (REF: REPORT WAS NOT REFERENCED)

Report dated 5 August 2020 by Senior Manager: Supply Chain Management (Ref:Ur/Emer/July2020).

(Page 593 of agenda)

Responding to a query on whether the reasons for deviations were adequately documented, the Head: Supply Chain Management indicated that the deviations report was submitted on the approved template to the Adjudication Committee. Thereafter, she advised that as soon as the queries had been adequately answered by the end user, the report was submitted to the Accounting Officer, who also raised queries on the report. Members of the Audit Committee were assured that the process of adjudication of the deviations, emergency and urgent work report was a thorough one. In addition to this, the policies have also been updated.

It was thereafter

AGREED

That all acquisitions and work undertaken as detailed on **Annexure A** of the report dated **5 August 2020** by Senior Manager: Supply Chain Management (Ref:Ur/Emer/July2020) for the period ending 31st of July 2020 be duly noted in terms Clause 36 of Council's approved Supply Chain Management Policy.

24. REPORT ON DEVIATIONS, EMERGENCY/URGENT WORK UNDERTAKEN AS AT AUGUST 2020 (REF: REPORT WAS NOT REFERENCED)

Report dated 31 August 2020 by Senior Manager: Supply Chain Management (Ref:Ur/Emer/Aug2020).

(Page 603 on agenda)

Audit committee members raised concerns over the costs that were being incurred to strip-and-quote for municipal vehicles that required repairs, which were outside of the general maintenance of municipal vehicles. The committee urged management to ensure that old municipal vehicles be scrapped as part of Council's disposal policy. It was noted that there was a long list of municipal vehicles that were sent in for strip-and-quote, and that this was cause for a possible question of fruitless and wasteful expenditure.

It was

AGREED

- (a) That the City Manager conducts a detailed investigation into the reasons why more than one municipal vehicle/machinery was sent in for strip-and-quote, and that this reporting must be monitored and reported to the Audit Committee on a regular basis.
- (b) That the City Manager submit a detailed report to the Audit Committee on a monthly basis on the total expenditure of repairs to municipal vehicles / machinery, detailing the **person responsible for authorizing** that the relevant vehicle needed repairs and how often the vehicle repairs needed to be undertaken, as well as the cost benefit of the relevant repairs.
- (c) That the City Manager submit a further report to the Audit Committee on how to better manage the municipal fleet and equipment.

It was thereafter

AGREED

That all acquisitions and work undertaken as detailed on **Annexure A** of the report dated **31 August 2020** by Senior Manager: Supply Chain Management (Ref:Ur/Emer/Aug2020) for the period ending 31 August 2020 be duly noted in terms Clause 36 of Council's approved Supply Chain Management Policy.

25. SAP QUARTERLY REPORTING: PROGRESS ON THE IMPLEMENTATION OF INTERNAL AUDIT FINDINGS ON SAP ERP FOR THE PERIOD 1 JULY 2020 TO 30 SEPTEMBER 2020 (REF:2.2.3.2.4)

Report dated 30 September 2020 by the Senior Manager: Expenditure.

(Page 614 of agenda and attachments are on the Audit Committee agenda link)

The Audit Committee indicated that progress was required on the movement of the findings.

It was

AGREED TO RECOMMEND TO THE FULL COUNCIL

That the status on the implementation of Internal Audit findings on SAP ERP reviews for the first quarter (01 July 2020 to 30 September 2020) of the 2020/2021 financial year be considered.

26. AUDIT ACTION PLAN TO ADDRESS THE 2018/19 AG AUDIT FINDINGS (REF:3.10.1)

Report dated 20 June 2020 by the Senior Manager: Finance Governance.

(Page 617 of agenda and attachments are on the Audit Committee agenda link)

It was

AGREED TO RECOMMEND TO THE

FULL COUNCIL

- (a) That the report dated 20 June 2020 by the Chief Financial Officer in respect of the Audit Action Plan to address the 2018/2019 Auditor-General Audit Findings be NOTED.
- (b) That it be noted that there is a slow progress in addressing the issues raised by the Auditor-General and it is requested that the City Manager takes appropriate action to ensure the implementation of the Action Plan.

27. THE FINANCIAL RATIOS AS AT 31 MARCH 2020 (REF:3.7.1)

Report dated 1 June 2020 incorporating recommendations from the Strategic Management Committee.

(Page 622 of agenda)

It was

AGREED

That the report dated 1 June 2020 incorporating recommendations from the Strategic Management Committee in respect of the **Financial Ratios Analysis as at 31 March 2020**, be NOTED.

28. OUTSTANDING MATTERS DUE FOR CONSIDERATION BY THE AUDIT COMMITTEE: MSUNDUZI RAISED AS A DEBTOR ON PROPERTIES THAT ARE IN THE OWNERSHIP OF THE MUNICIPALITY (REF: 3.10.R)

Report dated 2 October 2020 incorporating recommendations of the Strategic Management Committee.

(Page 673 on agenda)

The General Manager: Sustainable Development and City Enterprises reported that the process of the Title Deeds Restoration Programme was being administered in conjunction with the Rates Section to finalize the rates clearance certificates. He indicated that as soon as this process was concluded, the relevant properties would be officially handed over to the respective owners.

It was

AGREED

- (a) That the report dated 2 October 2020 incorporating recommendations of the Strategic Management Committee considering the **Msunduzi Raised as a Debtor on Properties that are in the ownership of the municipality** which are part of the Title Deeds Restoration Programme, be noted, and that this item be **removed** from the outstanding matters report of the Audit Committee.
- (b) That the monthly progress meetings are to be organized through the Chief Financial Officer's office with the relevant officials together with Human Settlements in order to provide the committee with a specific progress in relation to the subject properties.

29. OUTSTANDING SAFE CITY 2ND QUARTER 2019/2020 AUDIT COMMITTEE MATTERS (REF:3.10.1.1)

Report dated 2 October 2020 incorporating recommendations of the Strategic Management Committee.

(Page 677 of agenda)

It was

AGREED

- (a) That the report dated 18 September 2020 by the General Manager: Sustainable Development and City Enterprises in respect of the outstanding Safe City 2nd Quarter of 2019/2020 Audit Committee matters, be NOTED.
- (b) That the Safe City Entity remain with the Sustainable Development and City Entities Business Unit.
- (c) That the matter of the leaking rook at the Safe City Offices be regarded as finalized.
- (d) That the item be removed from the Audit Committee outstanding matters report.

30. **SAFE CITY OPERATIONAL AND FINANCIAL MATTERS: JULY 2020 AND AUGUST 2020 (REF: 2.3.3.2.4)**

Report dated 2 October 2020 incorporating recommendations of the Strategic Management Committee.

(Page 682 of agenda)

It was

AGREED

That the Safe City Operational and Financial Matters Performance report for the months of **July 2020 and August 2020**, be NOTED.

31. **TRANSFER OF COUNCIL PROPERTIES USING THE EXTENDED ENHANCED DISCOUNT BENEFIT SCHEME (EEDBS) AND FOR DEBT WRITE OFF FOR EXISTING ARREARS USING THE MSUNDUZI HOUSING OPERATIONAL ACCOUNT**

Report dated 15 October 2020 by the Senior Planner.

(Page 690 of agenda)

It was

AGREED

That the report 15 October 2020 by the Senior Planner on the **Enhanced Discount Benefit Scheme (EEDBS) and for the Debt Write-off for existing arrears using the Msunduzi Housing Operational Account**, be NOTED and be removed from the outstanding matters report.

32. **DISASTER MANAGEMENT PLAN (REF:21.3.1)**

Report dated 9 July 2020 by the Manager: Disaster Management.

(Attachment on the Audit Committee agenda link)

It was

AGREED

That the **Disaster Management Plan 2020**, as contained in the report dated 9 July 2020 by the Manager: Disaster Management, be NOTED and be removed from the Audit Committee Outstanding Matters Report.

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33. **CONSEQUENCE MANAGEMENT: STATUS QUO REPORT FOR THE PERIOD 1 JULY 2020 TO 30 SEPTEMBER 2020 (REF: 3.10.1.1)**

Report dated 30 September 2020 by the Legal Advisor: Office of the City Manager.

(Page 236 of Confidential Committee Circular No. 44 of 2020)

34. **HOUSING RENTAL TENANCY, STATUS OF ARREARS AND PROGRESS: JULY 2020 (REF: 3.7.1)**

Report dated 2 September 2020 incorporating recommendations of the Strategic Management Committee.

(Page 198 of Confidential Committee Circular No. 44 of 2020)

35. **COUNCILLOR ARREAR DEBT AS AT 31 AUGUST 2020 (REF: 3.3.1.2.1)**

Report dated 7 September 2020 by Manager: Debtors Management.

36. **STAFF ARREAR DEBT AS AT 31 AUGUST 2020 (Ref: 3.3.1.2.1)**

Report dated 7 September 2020 by Manager: Debtors Management.

(Page 251 of Confidential Committee Circular No. 44 of 2020)

NOTE BY SENIOR MANAGER: SECRETARIAT & AUXILLIARY SERVICES: Due to the strict confidentiality of this item, an extract of the minutes under this item has been given to the Audit Committee members ONLY and a copy filed in the official CONFIDENTIAL records.

CONFIDENTIAL: NOT FOR PUBLICATION

37. **CONFIRMATION OF CONFIDENTIAL MINUTES**

Meeting held on 15 September 2020.

(Page 1 of Committee Circular No.44 of 2020)

38. **REPORT ON THE PROGRESS ON FORENSIC INVESTIGATIONS, CRIMINAL INVESTIGATIONS AND PROSECUTIONS INTO ALLEGATIONS OF FRAUD, CORRUPTION, THEFT, ETC (REF:3.10.1.1)**

Report dated 1 October 2020 by Chief Audit Executive (Ref:FI-01/2020/2021).

(Page 8 of Confidential Committee Circular No. 44 of 2020)

39. **FORENSIC INVESTIGATION INTO IRREGULAR EXPENDITURE FOR 2013/14 TO 2014/12, 2017/18 AND 2018/19 FINANCIAL YEARS (REF:3.10.1.1)**

Report dated 18 September 2020 by Chief Audit Executive (Ref:FI37/2019/20).

(Page 23 of Confidential Committee Circular No. 44 of 2020)

40. **FORENSIC INVESTIGATION INTO THE ALLEGED ABUSE OF MUNICIPAL VEHICLES NPC 6260 AND NPC 6501; ABSENTEEISM: MR P SUKRAJH (7002410) AND THE ABUSE OF THE WORKING HOURS OF MR WJ MOSO FOR PRIVATE USAGE AND ABSENTEEISM FROM WORK (REF: 3.10.1.1)**

Report dated 29 September 2020 by Chief Audit Executive (Ref: FI42/2018/2019).

(Page 83 of Confidential Committee Circular No. 44 of 2020)

41. **FORENSIC INVESTIGATION INTO ALLEGATIONS OF MUNICIPAL VEHICLE ABUSE AND ABSENTEEISM DURING WORKING HOURS ON PRIVATE TRIPS: MR H E AMOO: SENIOR GROUNDSMAN: EMPLOYEE NUMBER: 5502290 (REF: 3.10.1.1)**

Report dated 01 October 2020 by Chief Audit Executive (Ref: FI35-2019/2020).

(Page 116 of Confidential Committee Circular No. 44 of 2020)

42. **FORENSIC INVESTIGATION INTO ALLEGED VEHICLE ABUSE: NPC 4708 AND ABSENTEESIM DURING WORK HOURS: RP HOSKINS PAY NO: 262150 AND FRAUDULENT OVERTIME CLAIMS SUBMITTED FOR WORK NOT DONE OR DONE DURING NORMAL WORKING HOURS (REF: 3.10.1.1)**

Report dated 8 October 2020 by Chief Audit Executive (Ref:FI 30-19/20).

(Page 149 of Confidential Committee Circular No. 44 of 2020)

43. **ACTION PLAN TO ADDRESS THE 2018/2019 AUDITOR GENERAL AUDIT FINDINGS AS AT 25 SEPTEMBER 2020 (REF: 3.10.R)**

Report dated 9 October 2020 incorporating recommendations of the Strategic Management Committee.

(Page 264 of Confidential Committee Circular No. 44 of 2020)

CONFIDENTIAL: NOT FOR PUBLICATION

44. **IDT AUDIT FINDINGS (REF:CONF)**

Report dated 19 October 2020 by Senior Manager: Expenditure.

(Circulated separately via electronic mail)

45. **OUTSTANDING MATTER: DEVIATION OF METER READING DURING NATIONAL LOCKDOWN (REF:CONF)**

Report dated 5 October 2020 by Manager: Utilities and Services.

(Circulated separately via electronic mail)

NOTE BY SENIOR MANAGER: SECRETARIAT & AUXILLIARY SERVICES: Due to the strict confidentiality of this item, an extract of the minutes under this item has been given to the Audit Committee members ONLY and a copy filed in the official CONFIDENTIAL records.

02 Feb
2020

3. **VERBAL UPDATE BY THE AUDITOR GENERAL**

(Item 10 on agenda)

An apology was tendered on behalf of the Business Executive.

The Senior Manager: AGSA emphasized that the impact of the Covid-19 pandemic had been severe on the services of the AGSA. He indicated that it was anticipated that the Audit would be signed on 28 February

2021, and that should this timeframe not be met the alternate date would be 31 arch 2021. It was anticipated that the audit on the Safe City Entity would be signed timeously.

The Chairperson sought clarity on the AGSA Letter of Engagement and Strategic Engagement.

It was reported that the AGSA would be making some minor amendments, and as soon as these amendments have been made, the final documents would be sent to members of the Audit Committee.

Audit Committee members were notified that responses were received from management, which would be followed up with a meeting with management to review these responses. The consultation with National Treasury was outstanding.

It was established that there was a material difference in the reporting on the financial statements and the age analysis, together with some conflicting information from municipal staff and management with regard to the Plantation / Forestry.

National Treasury Representative (Mr Leslie Holland) sought clarity whether the Audit Committee meeting on 23 February 2021 would be premature in light of the audit only being signed off by 28 February 2021.

In view of the anticipated finalization of the audit, it was requested that a special meeting of the Audit Committee be convened for the purpose of reviewing the management responses, or if the Office of the AGSA could include Audit Committee members during their meeting with management to review the audit responses from management.

The Manager: AGSA indicated that two meetings would be held; one meeting would review the draft report, with the second meeting to consider the final report. **The dates for these meetings would be communicated by the Office of the AGSA.**

The Senior Manager: AGSA was subsequently requested to forward the technical findings on the PPE to National Treasury Representative (Mr Leslie Holland).

It was

AGREED

That the Chief Audit Executive, in conjunction with the Chief Financial Officer and the City Manager make the relevant **budgetary provisions to accommodate the two special meetings which Audit Committee members will be attending with the Office of the AGSA for the month of March 2021** for the purpose reviewing the draft management responses and the final report to the Auditor General.

4. **FINAL INTERNAL AUDIT REPORT ON THE AUDIT OF PERFORMANCE INFORMATION FOR QUARTER 4 AND ANNUAL PERFORMANCE REPORT FOR 2019/20 (REF:3.10.11)**

Report dated 26 November 2020 by the Chief Audit Executive (Ref:AoPI-2-2020/21).

(Page 31 of agenda)

The Chief Audit Executive reported that responses to the Quarter 4 Performance Information and Annual Performance Report for the 2019/2020 financial year were only received from the Performance Management Section and Corporate Services.

Audit Committee members expressed disappointment with management in its failure to address this report which had so many high risk issues. Committee members stressed that the City Manager must implement consequence management for the failure to address issues outlined in this report. Clarity was sought on whether the AGSA had picked up information contained in this report.

The management team was questioned whether they took the findings in this report seriously, as these issues regarding performance and service delivery talks to the very issues regarding the state of Msunduzi Municipality.

Clarity was sought by the National Treasury Representative (Ms N Myeza) whether the City Manager gives consideration to internal audit reports, and what he has done about these issues, and what would he do to address these failures.

The Chairperson pointed out that these reports were not considered by the City Manager and the General Managers and based on the poor responses, the Annual Report did not contain reliable information on the actual findings, or how management would address these findings in the Annual Report.

The City Manager indicated that he reserved his comments on this matter at that moment. He indicated that there was another opinion, and he had confirmed that the AGSA did not pick up on these issues. The City Manager reported that the two issues that were escalated, still required engagement with the AGSA. The City Manager undertook to review the proposed amendments of indicators with the Chief Audit Executive.

The City Manager proceeded to brief the Audit Committee on the relational issues with Internal Audit.

The Committee raised concerns that the lack of management responses raised possible questions on whether reports were being considered and interrogated. The findings raised in the report indicate a clear risk that the information included in the Annual Report is likely to be unreliable.

In addition, it was stressed that there needed to be a behavioural change in terms of performance management at Msunduzi Municipality.

It was therefore,

AGREED

- (a) That the report dated 26 November 2020 by the Chief Audit Executive (Ref:AoPI-2-2020/21) considering the **Final Internal Audit Report on the Audit Performance Information for Quarter 4 and the Annual Performance report for the 2019/2020 Financial year**, be STOOD DOWN to the next meeting of the Audit Committee to allow for the City Manager to ensure that management have populated the relevant information as a matter of urgency, and that the City Manager must provide a detailed report to the Audit Committee on reasons why management failed to respond, as well as the actions taken for the relevant non-performance.
- (b) That the breakdown of communication between the City Manager and Chief Audit Executive be discussed under the confidential proceedings.

5. PROGRESS REPORT ON INTERNAL AUDIT FINDINGS FOR THE 2016/17, 2017/18 AND 2018/19 FINANCIAL YEARS and PRESENTATION ON THE INTERNAL AUDIT TRACKING TOOL (REF: 3.10.1.1)

Report dated 24 November 2020 by the Senior Manager: Office of the City Manager.

(Page 132 of agenda)

It was

**AGREED TO RECOMMEND TO THE
FULL COUNCIL**

That the **progress report dated 24 November 2020 by the Senior Manager: Office of the City Manager on the Internal Audit Findings for the 2016/2017, 2017/2018 and 2018/2019 financial years**, be NOTED.

6. PRESENTATION ON THE FINANCIAL RECOVERY PLAN

(Item 13 on agenda)

The Chief Financial Officer was requested to add an additional column for “revised dates” which will address the matter of old action dates which have long passed.

It was

AGREED

That the presentation of the **Financial Recovery Plan for the month of November 2020 by the Chief Financial Officer**, be NOTED.

7. **PRESENTATION ON REVENUE COLLECTION FOR THE MONTHS OF OCTOBER 2020 AND NOVEMBER 2020**

(Items 14 and 15 of agenda)

It was

AGREED

That the presentation of the **Revenue Collection for the months of October 2020 and November 2020 and the progress on the recovery of the outstanding debtors of R1,4 billion by the Senior Manager: Revenue (Acting)**, be NOTED.

8. **SECTION 66 OF THE MUNICIPAL FINANCE MANAGEMENT ACT NO.56 OF 2003: EXPENDITURE ON STAFF BENEFITS REPORT: OCTOBER 2020 (REF:3.7.P)**

Report dated 10 November 2020 by Senior Manager: Budget, Planning, Implementation and Monitoring Plan (Ref:3.7.P. Rep No.4).

(Page 140 of agenda)

In response to a query regarding ongoing exorbitant overtime, Senior Manager: Budget, Planning, Implementation and Monitoring Plan reported that in certain instances, there was no control on the overtime. He reported that in certain business units, patterns have been picked up with certain employees regarding overtime, which many staff see overtime as their second salary.

The City Manager reported that the filling of vacant posts in relation to the available budget was the greatest challenge. He advised that a proposed introduction of a shift system which would greatly reduce overtime may not be implementable during the current financial year. However, the shift system would greatly reduce overtime.

The General Manager: Corporate Services indicated that there must be a correlation between the filling of vacancies to that of the available cash flow. She cautioned management to ensure that positions were cash backed. She advised the committee that priority was given to vacant posts within the Revenue sub-unit, Community Services business unit, Water and Electricity sub-units. **The General Manager: Corporate Services undertook to provide the Audit Committee with a progress report on the filling of these priority posts at the next meeting.**

Audit Committee members indicated that efforts by the City Manager and the General Managers have not been fruitful. The City Manager must report to the next meeting of the Audit Committee on how overtime was approved throughout the municipality, and indicate how much of overtime was undertaken during the normal overtime, as well as those approved under emergency overtime.

National Treasury Representative (Mr L Holland) queried the information on the **Ministerial Representative's report on the extent of the use of consultants** in comparison to vacancies in terms of Council's cost containment strategy, which required further engagement by the Audit Committee.

The City Manager reported that the information on the use of consultants was available and that it would be presented for the next meeting of the Audit Committee.

The General Manager: Infrastructure Services reported that most of the overtime generated was as a result of unplanned overtime under the technical services due to the problems with the Retief Street Sub-Station.

It was

AGREED

- (a) That the report dated 10 November 2020 by Senior Manager: Budget, Planning, Implementation and Monitoring Plan (Ref:3.7.P. Rep No.4) considering the **Section 66 of the Municipal Finance Management Act No.56 of 2003 for Staff Benefits for October 2020**, be NOTED.
- (b) That the Audit Committee concerns on the **ongoing exorbitant overtime expenditure** be NOTED.
- (c) That the City Manager submit the presentation on the use of consultants in relation to vacancies for the next meeting of the Audit Committee on 23 February 2021.

9. **SECTION 71 OF THE MUNICIPAL FINANCE MANAGEMENT ACT NO.56 OF 2003: OCTOBER 2020 (REF: 3.7.P)**

Report dated 11 November 2020 by the Senior Manager: Budget, Planning, Implementation and Monitoring Plan (Ref:3.7.P Rep No.4).

(Page 156 of agenda)

It was

AGREED

That the report dated 11 November 2020 by the Senior Manager: Budget, Planning, Implementation and Monitoring Plan (Ref:3.7.P Rep No.4) considering **Section 71 of the Municipal Financial Management Act No.56 of 2003**, be NOTED.

10. **CONDITIONAL GRANTS: UNSPENT BALANCES OF CONDITIONAL GRANTS AS AT 30 SEPTEMBER 2020, 9 OCTOBER 2020, 16 OCTOBER 2020, 31 OCTOBER 2020, 12 NOVEMBER 2020 AND 25 NOVEMBER 2020 (REF:3.4.5)**

Reports dated 15 October 2020, 16 October 2020, 4 November 2020, 12 November 2020 and 25 November 2020 by the Senior Manager: Budget Planning, Implementation and Monitoring.

(Pages 206 to 222 of agenda)

It was

AGREED

That the reports dated 15 October 2020, 16 October 2020, 4 November 2020, 12 November 2020 and 25 November 2020 by the Senior Manager: Budget Planning, Implementation and Monitoring considering the **Unspent balances of Conditional Grants for the months of October 2020 and November 2020**, be NOTED.

11. **IRREGULAR EXPENDITURE FOR OCTOBER 2020 (REF:3.7.1(2019/2020))**

(Item 19 on agenda)

The Chief Financial Officer informed the committee that the report on Irregular Expenditure for the month of October 2020 had served at all Council committees.

It was therefore,

AGREED

That in the absence of a report on **Irregular Expenditure for the month of October 2020**, the item could not be considered and therefore be DEFFERED to the next meeting of the Audit Committee, together with updated reports for November 2020, December 2020 and January 2021.

12. **MONTHLY REPORT: FRUITLESS AND WASTEFUL EXPENDITURE: 31 AUGUST 2020 AND SEPTEMBER 2020 (REF: 3.7.1(2020/2021)):**

Report dated 1 September 2020 by Senior Manager: Expenditure (Ref:3.7.1(2020/2021) and Report dated 1 October 2020 by Senior Manager: Expenditure (Ref:3.7.1(2020/2021)).

(Pages 225 to 238 of agenda)

Clarity was sought on whether the Auditor General had raised any additional queries on Fruitless and Wasteful Expenditure.

The Chief Financial Officer was asked to explain to the committee where was the report on Assets Management regarding the replacement of old fleet.

The Chief Financial Officer confirmed that the fleet was old. She reported that four waste management trucks had been recently procured. She informed the committee that an exercise was undertaken to determine it was cheaper to procure or to hire vehicles. She confirmed that the financial constrains prevented council to procure a new fleet. In regard to the old fleet, she reported that there was a process to dispose.

It was

AGREED

That consideration of the reports dated 1 September 2020 by Senior Manager: Expenditure (Ref:3.7.1(2020/2021) and Report dated 1 October 2020 by Senior Manager: Expenditure (Ref:3.7.1(2020/2021)) on the Quarterly Report on Fruitless and Wasteful Expenditure for the months of July 2020 to September 2020 be WITHDRAWN from the current agenda as this item was considered at the Audit Committee meeting held on 15 September 2020.

13. **MONTHLY REPORT ON DEVIATIONS, EMERGENCY/URGENT WORK UNDERTAKEN AS AT MONTH ENDING 30 SEPTEMBER 2020 AND 31 OCTOBER 2020 (REF: REPORT WAS NOT REFERENCED)**

Reports dated 30 September 2020 and 31 October 2020 by Senior Manager: Supply Chain Management (Ref: Ur/Emer/July2020).

(Pages 242 and 252 of agenda)

It was

AGREED

That the reports dated 30 September 2020 and 31 October 2020 by Senior Manager: Supply Chain Management (Ref:Ur/Emer/July2020) considering **Deviations, Emergency/Urgent Work undertaken as at the months ending 20 September 2020 and 31 October 2020**, be NOTED.

14. **SAP QUARTERLY REPORTING: PROGRESS ON THE IMPLEMENTATION OF INTERNAL AUDIT FINDINGS ON SAP ERP FOR THE PERIOD OCTOBER 2020 TO DECEMBER 2020 (REF:2.2.3.2.4)**

Report dated 21 January 2021 by the Senior Manager: Expenditure.

(Circulated separately)

The Senior Manager: Expenditure reported that the contract was adjudicated during December 2020, and was now in its final stage in observing the fourteen (14) day appeal period. It was anticipated that the service provider would be on site during March 2021. The Senior Manager: Expenditure undertook to provide a quarterly report for the Audit Committee meeting in April 2021.

It was

AGREED

That the quarterly report dated 21 January 2021 by the Senior Manager: Expenditure for the period **1 October 2020 to 31 December 2020 considering the Implementation of the Internal Audit Findings on SAP ERP**, be NOTED.

15. **NATIONAL TREASURY APPROVAL OF ROLLOVERS FOR 2019/2020 (REF:3.4.5)**

Report dated 26 October 2020 by the Senior Manager: Budget Planning, Implementation and Monitoring.

(Page 265 of agenda)

It was

AGREED

That the report dated 26 October 2020 by the Senior Manager: Budget Planning, Implementation and Monitoring considering the National Treasury Approval of Rollovers for 2019/2020, be NOTED.

16. **ADJUSTMENT OF THE NEIGHBOURHOOD DEVELOPMENT PARTNERSHIP GRANT (NDPG) GAZETTED ALLOCATION FOR 2020/2021 (REF: 3.4.5)**

Report dated 16 October 2020 by the Senior Manager: Budget Planning, Implementation and Monitoring.

(Page 284 of agenda)

It was

AGREED

That the report dated 16 October 2020 by the Senior Manager: Budget Planning, Implementation and Monitoring considering the **Adjustment of the Neighbourhood Development Partnership Grant (NDPG) Gazetted Allocation for 2020/2021**, be NOTED.

17. **ACTION PLAN TO ADDRESS THE 2018/2019 AG AUDIT FINDINGS AS AT 31 OCTOBER 2020 (REF:3.10.R)**

Report dated 9 November 2020 by the Senior Manager: Finance Governance and Performance Monitoring.

(Page 245 of Confidential Committee Circular No.111 of 2020)

(It was noted that the City Manager had to leave the proceedings at this juncture in order to attend another commitment with the Troika).

National Treasury Representative (Mr L Holland) requested that deadlines must be set to prevent issues from recurring in the future.

The Chairperson stressed that the responsibility of providing responses to the Auditor General did not solely rest with the Chief Financial Officer, as all senior managers are responsible to provide timeous responses to the Chief Financial Officer for consolidation of the overall response.

Following discussion, it was

AGREED

- (a) That the report dated 9 November 2020 by the Senior Manager: Finance Governance and Performance Monitoring considering the **report on the audit action plan to address the 2018/19 AG audit findings**, be NOTED.
- (b) That the **Audit Committee requires a presentation session with senior management in March 2021 to present good management comments to the audit response**, and that the City Manager in conjunction with the Chief Financial Officer review the costs for this *special* meeting.

18. **REQUEST FOR UPDATE ON MONTH-END DISCIPLINE REPORTING**

(Raised verbally)

It was

AGREED

That the Chief Financial Officer submit quarterly status reports to the Audit Committee on month end discipline, ensuring that a corresponding portfolio of evidence to the report in maintained for auditing purposes.

19. **SAFE CITY QUARTERLY REPORT: OPERATIONAL AND FINANCIAL MATTERS: OCTOBER 2020/21 (REF: 2.3.3.2.4)**

Report dated 4 November 2020 by the Manager: Safe City.

(Page 288 of agenda)

It was

AGREED

- (a) That the report dated 4 November 2020 by the Manager: Safe City on the **financial and operational performance of Safe City Msunduzi NPC for October 2020**, be NOTED.
- (b) That the City Manager submits a report to the next meeting of the Audit Committee on **Traffic Fines Revenue for the period 1 July 2020 to January 2021, together with a status update on the challenges in raising traffic fine revenue**.

20. **QUARTERLY INTEGRATED ICT REPORTING AS REQUESTED IN THE SUGGESTED TEMPLATE BY THE AUDIT COMMITTEE: ICT STATUS REPORT ON STRATEGIC PROJECTS AND OTHER CRITICAL OPERATIONAL ACTIVITIES (REF: 2.2.3.2.1)**

Report dated 30 December 2020 by the Senior Manager: ICT.

(Circulated separately)

Following discussion, it was

AGREED

- (a) That the report dated 30 December 2020 by the Senior Manager: ICT considering the ICT Status Report on Strategic Projects and other critical operational activities, be NOTED.
- (b) **That the Senior Manager: ICT provide the Audit Committee with details on the set-up fees for Vodacom, together with outstanding information on the proposed phased costing of the strategy.**
- (c) **That the City Manager address the issue of poor attendance of ICT Steering Committee members, and reporting back to the Audit Committee on the progress made on this matter.**

21. **ICT NETWORK INFRASTRUCTURE ASSESSMENT AND PROPOSAL FOR THE OUTSOURCING THE ICT NETWORK CONNECTIVITY THROUGH THE RT15 CONTRACT (REF: 5.1.P)**

Report dated 16 November 2020 by the Senior Manager: ICT.

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It was

AGREED

- (a) That the report dated 16 November 2020 by the Senior Manager: ICT considering the ICT Network Infrastructure Assessment and Proposal for the outsourcing of the ICT Network Connectivity through the RT15 Contract, be NOTED.
- (b) That the Senior Manager: ICT submit a further report to the Audit Committee covering Risks, together with Key Management Fragility, the alignment of the MSCOA, and progress on the handover of SAP.

22. **CONCERN OVER THE EFFECTS OF CITY ADMINISTRATION RESULTING IN POSTPONEMENT OF AUDIT COMMITTEE MEETINGS**

(Raised verbally)

It was

AGREED

That in instances whereby the Audit Committee meeting was cancelled, in terms of the provisions of the Audit Committee Charter, a meeting of the Audit Committee must be rescheduled within 14 days, with a provision for management to be permitted to submit updated reports required for the agenda.

CONFIDENTIAL: NOT FOR PUBLICATION

23. **PROPOSED SETTLEMENT AGREEMENT: MESSRS MDELDLE INC (Ref:6.1.1.4)**

Report dated 16 November 2020 by the Senior Manager: Legal Services.

(Page 24 of Confidential Committee Circular No. 111 of 2020)

	<p>24. <u>CONFIRMATION OF CONFIDENTIAL MINUTES</u></p> <p>Meeting held on 20 November 2020.</p> <p>(Page 1 of Confidential Committee Circular No. 111 of 2020)</p> <p>25. <u>STAFF ARREAR DEBT AS AT 31 AUGUST 2020 (Ref: 3.3.1.2.1)</u></p> <p>Report dated 7 October 2020 by Manager: Debtors Management.</p> <p>(Page 14 of Confidential Committee Circular No.111 of 2020)</p> <p>26. <u>FORENSIC INVESTIGATION REPORT ON FRUITLESS AND WASTEFUL EXPENDITURE FOR 2008/09 TO 2018/19 (13 FINANCIAL YEARS) (REF:3.10.1.1)</u></p> <p>Report dated 25 November 2020 by the Chief Audit Executive (Ref:FI 21-20119/2020).</p> <p>(Page 64 of Confidential Committee Circular No.111 of 2020)</p> <p>27. <u>FORENSIC INVESTIGATION REPORT ON FRUITLESS AND WASTEFUL EXPENDITURE FOR 2019/2020 (REF:3.10.1.1)</u></p> <p>Report dated 30 November 2020 by the Manager: Forensic Investigations (Ref:FI 21-20119/2020).</p> <p>(Page 186 of Confidential Committee Circular No.111 of 2020)</p> <p>28. <u>FORENSIC INVESTIGATION INTO ALLEGED IRREGULARITIES IN THE APPOINTMENT OF SERVICE PROVIDER (YABUYA CONSULTING) FOR THE IMPLEMENTATION OF SAP ERP AT SAFE CITY (REF:3.10.1.1)</u></p> <p>Report dated 25 November 2020 by the Chief Audit Executive (Ref:FI 21-2018/2019).</p> <p>(Page 217 of Confidential Committee Circular No.111 of 2020)</p> <p>33. <u>AUDIT COMMITTEE DECISION TRACKER</u></p> <p>(Item 9 on the agenda)</p> <p>34. <u>ITEMS RAISED BY THE CHAIRPERSON OF THE AUDIT COMMITTEE</u></p> <p>(Raised verbally)</p> <p>35. <u>CONSEQUENCE MANAGEMENT: CURRENT LABOUR MATTERS AND OTHERS : OCTOBER 2020 TO DECEMBER 2020</u></p> <p>(Raised verbally)</p>
23 Feb 2021	<p>29. <u>OUSTANDING MATTERS REPORT</u></p> <p>Report dated 05 February 2021 by General Manager: Corporate Services.</p> <p>(Page 16 of agenda)</p>

It was

AGREED

That the Outstanding Matters Report dated 5 February 2021 by the General Manager: Corporate Services be noted subject to the removal of the following item:-

Item 2: Debtors Management as this item was on the current agenda.

30. **AUDIT COMMITTEE DECISION TRACKER: 2019/2020 AND 2020/2021 FINANCIAL YEARS: TO BE CIRCULATED TO MEMBERS ONLY: FEEDBACK FROM OFFICE OF THE CITY MANAGER**

(Item 9 on the agenda)

It was reported that this item was still being updated and would be presented to the Audit Committee meeting in April 2021.

The Audit Committee noted the time frame between the Audit Committee meetings held on 2 and 23 February 2021, respectively was short in order for the Audit Committee Decision Tracker to be updated. Therefore, it was requested that this item be included on the Outstanding Matters Report.

NOTED.

31. **PROPOSED NEW REPORT TEMPLATE FOR THE AUDIT COMMITTEE: TO STREAMLINE REPORTING TO THE AUDIT COMMITTEE AND TO REDUCE SIZE OF REPORT**

(Page 17 of agenda)

The proposed template for a streamlined Quarterly Audit Committee report was presented to the Committee, which would be presented to the Council as part of the Audit Committee's reporting.

The Audit Committee urged Management to avoid sending copies of their generic reports which they compiled for other Council Structures, as these reports were just generic reports that did not address the concerns of the Audit Committee. Management was requested to provide summarized information that would give the Committee a snapshot view of the progress and challenges on standing matters for the relevant quarter. Officials were requested to minimize attachments, and to include summarized tables which can monitor the progress of the respective matters within that three-month cycle, making it easier for the Audit Committee to track and monitor all pertinent standing activities.

It was reported that the input to the report would be co-ordinated by the Senior Manager: Office of the City Manager.

It was requested that the title for the ICT Reporting reflected under the new proposed template be amended as "*ICT Governance*".

In support of the report, it was

AGREED

That the **New Report Template for the Audit Committee** be approved and be coordinated through the Office of the City Manager.

32. **UPDATE BY THE AUDITOR GENERAL**

(i) Revised engagement letter dated 21 November 2020 by the AGSA Business Executive.

(ii) Revised Audit Strategy for the Msunduzi Municipality dated 30 June 2020 by the AGSA.

(Circulated separately)

The Business Executive: AGSA reported that there was slow progress on the Audit as a result of the Covid-19 Pandemic. It was anticipated that the signing of the consolidated report would take place by the end of March 2021.

It was reported that the Audit Team would forward summaries of significant findings to Management within the next few days.

The Audit Team was requested to submit these findings directly to the Audit Committee members. In response to a query regarding any relational issues, red flags and the impact of the audit outcomes, the Business Executive: AGSA reported that the Audit was progressing satisfactorily. She informed the Committee that there was a debrief session held with the Mayor during the previous week, and that there were weekly meetings taking place.

The Committee was also notified that the previous financial year's findings were being addressed with Management, and that a summary of these findings would be provided to the Audit Committee.

It was

AGREED

That the (i) Revised engagement letter dated 21 November 2020 by the AGSA Business Executive and the (ii) Revised Audit Strategy for the Msunduzi Municipality dated 30 June 2020 by the AGSA be noted.

33. **CONFIRMATION OF PRESENTATION SESSIONS WITH THE AUDIT COMMITTEE, MANAGEMENT TEAM AND THE AGSA FOR THE REVIEW OF AUDIT RESPONSES (AND BUDGET FOR THE SPECIAL AUDIT COMMITTEE MEETING TO ADDRESS AUDIT RESPONSES)**

(Item 18 on agenda)

The Senior Manager: AGSA reported that the presentation sessions with Management and the Audit Committee was scheduled for the following dates:-

- (i) Friday, 12 March 2021
- (ii) Friday, 19 March 2021 and
- (iii) Wednesday, 31 March 2021.

NOTED.

34. **PROGRESS ON THE ADMINISTRATORS REPORT ON EXTENT OF USE OF CONSULTANTS IN TERMS OF THE MUNICIPALITY'S COST CONTAINMENT REGULATIONS ON USE OF CONSULTANTS VERSUS FILLING OF RESPECTIVE VACANT POSTS: CONTRACT REGISTER MASTER FILE FOR CONSULTANTS (REF:10.4.1)**

Report dated 10 February 2021 by the Senior Manager: Office of the City Manager.

(Page 19 of agenda)

The Audit Committee indicated that whilst skills transfer was important in Contract Management, the report did not address Committee's current concerns, as skills from the use of consultants could not be transferred to vacant positions.

Clarity was thereafter sought on the **budget for vacant positions in comparison to the amount expended on the use of consultants**. In addition to this, it was queried whether filling the vacancies would result in **no** further use of consultants.

The Audit Committee requested that a **quarterly report tracking the use of consultants in relation to cost Containment and the filling of vacancies** be presented at the next Audit Committee meeting in April 2021.

It was

AGREED

That the City Manager submit the **quarterly report tracking the Use of Consultants in Relation to Cost Containment and the Filling of Vacancies** for the period of **January 2021 to March 2021** to the next meeting of the Audit Committee.

It was further

**AGREED TO RECOMMEND TO THE
FULL COUNCIL**

(a) That the report dated 10 February 2021 by the Senior Manager: Office of the City Manager on the **Contract Register Master File for Consultants** be noted.

(b) That the Contract Register Master File for Consultants Template be utilized as a monthly monitoring tool to monitor the contracts in various business units.

35. **PROGRESS REPORT ON COST CONTAINMENT FOR OVERTIME FOR THE PERIOD 1 JULY 2020 TO CURRENT FOR ALL BUSINESS UNITS AND VERIFICATION REPORT OF ALL OVERTIME BY GENERAL MANAGERS TO CURB OVERTIME ABUSE PATTERNS**

(Item 13 on agenda)

The Audit Committee emphasized that the Section 66 Report could not be considered under this item, as that report did not to cover the concern raised by the Committee on the **measures to curb overtime**.

Noting that this item was outstanding, it was

AGREED

That the **City Manager** submit a report to the next meeting of the Audit Committee on the **Progress of all Cost Containment Measures implemented from 1 July 2020 to current to curb overtime, outlining the processes for the vetting, verification and approval of all overtime** along with **detailed submissions by each General Manager on overtime for Quarter 3 detailing** what each General Manager was implementing within their respective business units to ensure that **overtime is paid in accordance with the Policies and Procedures**, and **what each General Manager was doing to curb the abuse of overtime**, as well as **fraudulent overtime** and detailing the **measures to reduce overtime** in the respective units.

36. **PROGRESS REPORT ON PLANS TO IMPLEMENT SHIFT SYSTEMS FOR ALL HIGH OVERTIME GENERATING BUSINESS UNITS**

(Item 14 on agenda)

Noting that no report was received, it was

AGREED

That the **progress report** from the City Manager **on Plans to Implement Shift Systems for all High Overtime Generating Business Units** be placed on the Outstanding Matters Report, and be submitted to the next Audit Committee meeting on 20 April 2021.

37. **PROGRESS REPORT ON APPOINTMENT OF VODACOM FOR THE ICT SERVER MAINTENANCE**

(Item 15 on agenda)

Noting that **no** report was received, the Audit Committee

AGREED

That the **progress report** from the General Manager: Corporate Services on the **Appointment of Vodacom for the ICT Server Maintenance** be placed on the Outstanding Matters Report and be submitted to the next Audit Committee meeting on 20 April 2021.

38. **PROGRESS ON CENTRALISING THE RECEIPT, MANAGEMENT, PROCESSING AND PAYMENT OF ESKOM INVOICES IN FINANCE TO ONE CREDITORS CLERK, WHILST UPDATING ESKOM OF ANY CHANGES TO THE EMAIL ADDRESS/ES AND CONTACT PERSONS FOR ESKOM ACCOUNTS AT THE MUNICIPALITY TO LIMIT CHALLENGES RELATING TO THE RECEIPT, PROCESSING AND APPROVAL THEREOF TO ENSURE TIMEOUS PAYMENTS TO ESKOM (REF: 3.7.1(20/21))**

Report dated 16 February 2021 by the Senior Manager: Expenditure.

(Item 16 on agenda)

(Circulated separately)

The Senior Manager: Expenditure explained to the Committee that the processes involved in forwarding invoices from Eskom to the individual business units for verification deemed it difficult to centralize the Eskom Account for better control and management.

With regard to the actual procedure to process the payment for Eskom invoices, the Senior Manager: Expenditure reported that the Business Unit was in the process of **reducing the number of signatures to streamline the process.**

The Chairperson requested that other invoices of a similar nature must be ring-fenced for this type of streamlined procedure i.e Telkom.

The Chief Audit Executive pointed out that invoices were sent to different business units and in view of this, he highlighted the need to have one designated official within the Finance Unit to control all Eskom invoices. He indicated that the **issue of “signatures”** was **not** the main root cause and expressed concern that the Finance Business Unit would not accept the recommendations of the Internal Audit Unit.

The Chairperson mentioned that if it was impossible for the Business Unit to centralize these payments, Management must implement controls to expedite all payments to Eskom. She requested that in the event of these new measures **not** yielding the results of expeditious payments, the Chief Financial Officer must consider the recommendations of Internal Audit.

The National Treasury Representative (Mr Leslie Holland) reiterated his concern over **Cash Flow Management** and the **timely payment of creditors**. It was requested that this matter be reported to the Audit Committee as part of the Quarterly Audit Committee Report. Management was encouraged to work with the Internal Audit Unit to improve controls.

The National Treasury Representative (Mr Leslie Holland) urged Management to make every effort to improve Cash Flow Management along with the pre Covid-19 concerns regarding Collections in order to improve the overall financial viability of the Municipality. He emphasized that the availability of cash to meet all liabilities must be carefully monitored on an ongoing basis.

It was therefore

AGREED

- (a) That the report dated 16 February 2021 by the Senior Manager: Expenditure considering the centralizing of the processing of Eskom invoices, be noted.
- (b) That the Chief Financial Officer submit a report to the next meeting of the Audit Committee **detailing alternate measures that would be implemented to (a) ensure that all processes were performed timeously thereby preventing fruitless and wasteful expenditure** and (b) including the **recovery of interest from late payments to Eskom.**
- (c) That the City Manager in conjunction with the Chief Financial Officer ensure that the **Impact of Cash Flow Management on the Payment of Creditors** and the **risks of incurring ongoing fruitless and wasteful expenditure** is reported to the Audit Committee as part of the **Audit Committee Quarterly Report.**

39. **PROGRESS REPORT ON THE RECOVERY OF MONIES FROM FRAUD AND MISAPPROPRIATION, AND ROOT CAUSES**

(Item 17 on agenda)

It was

AGREED

That the item considering the **Recoveries of Monies from Fraud and Misappropriation and Root Causes** be considered under the *Confidential Items* which would be discussed later in the proceedings.

40. **REPORT ON FLEET MANAGEMENT AND PLAN TO DISPOSE OF OLD FLEET TOGETHER WITH ALL ASSOCIATED COST ESTIMATES TO DISPOSE OF OLD FLEET**

Unsigned report dated 16 February 2021 by the Senior Manager: Assets and Liabilities.

(Circulated separately)

The Chairperson indicated that the report lacked information such as the following:-

- (a) financial impact of continuing with an old fleet, along with the
- (b) cost implications incurred as a result of repairs and maintenance of an old fleet, together with
- (c) who was accountable for not disposing the old fleet,
- (d) who was responsible for giving consideration to the financial impact of the old fleet,
- (e) what was the plan to manage an old fleet and
- (f) the issue of risks attached to the "strip-and-quote" method which was linked to ongoing fruitless and wasteful expenditure.

It was reiterated that with proper planning, Management could have avoided such deviations. It was stressed that the old municipal fleet must be disposed.

The Senior Manager: Assets and Liabilities informed the Committee of the current situation of staff shortages within Fleet Management. She notified the Committee that there was no Manager at the Municipal Workshop.

The City Manager further advised the Committee that officials were appointed to act in the post of Manager: Workshop. However, the officials were refusing to act in this post. In addition to this, other members of staff who acted in this post complained that they were unable to continue acting in the position as a result of the stress attached to this post. Thereafter, the Business Unit was faced with a detrimental situation of these some staff members testing positive with Covid-19. The City Manager assured the Audit Committee that the issue of the disposal of old fleet was being addressed as it would bring in much needed revenue. He reported that all business units were requested to provide input on this matter by the end of February 2021. He assured the Committee that a detailed report would be ready for the Audit Committee meeting in June 2021.

The Audit Committee was given the assurance that the Business Unit was utilizing various agents on the municipal database to conduct the relevant maintenance and repairs to the municipal fleet. It was also reported that the Minor Parts Contract would soon be in place allowing for various spares to be procured and to be kept at the municipal stores.

It was subsequently

AGREED

- (a) That the unsigned report dated 16 February 2021 by the Senior Manager: Assets and Liabilities considering the progress on the **preparation of the fleet management report on vehicles identified for disposal** be NOTED.
- (b) That the Chief Financial Officer submit a progress report to the next meeting of the Audit Committee on the awarding of the Minor Parts Contract.

41. **PROGRESS REPORT ON THE HANDOVER OF SAP TO ICT AND THE MSCOA ALIGNMENT**

Report dated 16 February 2021 by the Senior Manager: Expenditure (Handover of SAP to ICT).

(Item 20 on agenda circulated separately)

The Audit Committee was informed that there was a Steering Committee in place to monitor the Project of the SAP Handover to ICT and the Alignment of MSCOA, together with a Technical Committee that would be working closely with the SAP Handover Technical Team, which was a different committee to that of the ICT Steering Committee.

The Business Unit undertook to provide the Committee with a high level Project Plan at the Audit Committee meeting in April 2021.

It was therefore

AGREED

- (a) That the report dated 16 February 2021 by the Senior Manager: Expenditure on the Status of the SAP ERP System to the ICT Unit be noted.
- (b) That the Senior Manager: Expenditure in conjunction with the Senior Manager ICT submit the **Project Plan** to the next meeting of the Audit Committee on 20 April 2021.
- (c) That the City Manager submit a report to the next meeting of the Audit Committee addressing **measures to improve the attendance of ICT Steering Committee members.**

42. **PROGRESS REPORT ON TRAFFIC FINES REVENUE FOR PERIOD 1 JULY 2020 TO JANUARY 2021: AND STATUS UPDATE ON CHALLENGES IN RAISING TRAFFIC FINE REVENUE: STATUS OF UNPAID OUTSTANDING TRAFFIC FINES OWED TO THE MSUNDUZI MUNICIPALITY BY PROXIES GOVERNMENT REGISTERED VEHICLES (REF: 3.2.2)**

Report dated 5 February 2021 by the Senior Manager: Public Safety, Enforcement and Disaster Management.

(Page 23 on agenda)

The Chairperson indicated that the issue emanated from the previous month's Safe City Entity Quarterly report which informed the Committee on the proposed use of the Number Plate Recognition System to assist with the collection of outstanding traffic fines.

Clarity was then sought on the breakdown of the **R 500 000.00** which was requested by the Business Unit **for the purpose of conducting Weekly Roving Traffic Blocks** to collect the R10 million in outstanding traffic fines.

The Audit Committee queried the Opportunity Cost of the secondment of staff and queried what impact would the secondment of staff have on an already congested central business district (CBD).

The General Manager: Community Services undertook to provide the Audit Committee with a breakdown of the requested funding at its next meeting.

It was therefore

AGREED

- (a) That the report dated 5 February 2021 by the Senior Manager: Public Safety, Enforcement and Disaster Management on the **Status of Challenges in collecting Outstanding Traffic Fines** be SUPPORTED by the Audit Committee, **subject** to the General Manager **providing proper details on the breakdown of the R 500 000.00** which was requested by the business unit **for the purpose of conducting Weekly Roving Traffic Blocks to collect the R10 million in outstanding traffic fines**, prior to the report being submitted to the other Council Structures for consideration and approval.
- (b) That the City Manager submit a progress report to the next meeting of the Audit Committee on the Implementation of the Safe City's **Number Plate Recognition** for **Revenue Enhancement**.

43. **STATUS UPDATE ON PROGRESS OF ALL REVENUE STREAMS WITHIN THE MUNICIPALITY**

Report dated 7 February 2021 by the Manager: Debtors Management.

(Item 23 on agenda)

It was

AGREED

- (a) That the report dated 7 February 2021 by the Manager: Debtors Management on the **Current Revenue Streams within the Msunduzi Municipality** be NOTED by the Audit Committee and that the Manager: Debtors Management ensures that the report is referred to other Council Structures for further consideration and input.
- (b) That the City Manager in conjunction with the Chief Financial Officer submit a copy of the **Revenue Enhancement Strategy Report prepared by Phila Ndimande** to the next meeting of the Audit Committee in April 2021.

44. **REVIEW OF CURRENT BILLING REPORT IN BALANCE OF DEBT HANDOVER, BALANCE OF REVENUE GENERATING BY REGULAR PAYERS FOR THE MONTH**

Power Point Presentation by the Manager: Debtors Management on the Payment Analysis for December 2020.

(Page 24 of agenda)

It was

AGREED

- (a) That the power point presentation by the Manager: Debtors Management for the Payment Analysis for December 2020 be NOTED by the Audit Committee, and that the Manager: Debtors Management ensures that the presentation is referred to other Council Structures for further consideration and input.
- (b) That the City Manager ensures that a high level **Billing Report for Quarter 3: January 2021 to March 2021** is submitted to the next meeting of the Audit Committee.

45. **PROGRESS REPORT ON MANAGEMENT OF PAYMENTS BY THE MSUNDUZI HOUSING ASSOCIATION AND STATUS OF ARREAR DEBTS ON RENTALS**

Report dated 16 February 2021 by the Manager: Debtors Management.

(Item 25 on agenda)

This item was considered later in the proceedings under “*Confidential Item No.46*”.

NOTED.

46. **FINAL INTERNAL AUDIT REPORT ON THE AUDIT OF PERFORMANCE INFORMATION FOR QUARTER 4 AND ANNUAL PERFORMANCE REPORT FOR 2019/20 (REF:3.10.11)**

Report dated 26 November 2020 by the Chief Audit Executive (Ref:AoPI-2-2020/21).

(Page 28 of agenda)

It was noted that this report was presented to the Audit Committee on 2 February 2021. However, as a result of a lack of management responses, the Audit Committee took a decision to stand the report down to the Audit Committee meeting on 23 February 2021 to allow for more responses.

The Audit Committee expressed concern that after the request for resubmission highlighted above, the status quo regarding management responses remained the same.

The Audit Committee raised concern that there was insufficient interrogation between Management and the Internal Audit Unit in agreeing on the finalization of these matters, and that this report would be escalated to Council in the absence of these responses.

The Audit Committee undertook to schedule a strategic session with Management and the Internal Audit Unit on how to respond appropriately to Findings Raised by both Internal and External Audit.

The National Treasury Representative (Mr L Holland) supported the initiative for the strategic session, and he pointed out that the lack of management responses; as well as the quality of responses compromised the Internal Audit Unit and the Audit Committee.

It was thereafter

**AGREED TO RECOMMEND TO THE
FULL COUNCIL**

1. That the City Manager, General Managers and Chief Financial Officer should establish the reasons for not meeting the targets and take necessary action;
2. That the City Manager should interrogate the reason and identify issues resulting to poor planning, skills, external factors; and
3. That the City Manager, General Managers and Chief Financial Officer should ensure that the reasons furnished are adequate and relate specifically to the indicators and targets measured.
4. That Portfolio Committees, Executive Committee and Council should hold City Manager, General Managers and Chief Financial Officer accountable for the failure to provide reasons for not meeting the performance targets.
5. That the General Managers and Senior Managers should ensure compliance with the Organizational Performance Management Policy and Standard Operations Procedures, the Individual Performance Management Policy and SOP and the SOP on PoE development.
6. That the City Manager should ensure consequence management for failure to comply with the approved policies of the organization is enforced.
7. That the onus remains with the business units/ General Managers to request assistance from the OC, P & KM unit should they require assistance with the PoE developments.
8. That the General Managers should review PoE files before submission to the OC, P & KM unit / audit purposes.
9. That in instances where PoE files are submitted to the OC, P & KM unit without the GM's review, a note should be made and considered during the GM's performance assessment.
10. That in instances where material/ significant findings are raised on a PoE file which has been signed as evidence of review by the GM, a note should be made and considered during the GM's performance assessment.
11. That the City Manager should ensure consequence management for failure to comply with the SOP on PoE development. • Senior Managers, General Managers, Chief Financial Officer and City Manager should ensure that all factors including the available resources when setting performance targets and ensure that they realistic and achievable
12. That the City Manager and the Mayor should ensure that the performance assessments of the City Manager, General Managers are conducted on a timely basis; and
13. That deviations from the approved calendar of meetings for performance assessments should be recorded and the Mayor informed in writing by the City Manager.
14. That Portfolio of evidence files should be updated as and when a particular target is achieved and this information should inform the report on the monthly and quarterly SDBIP and not at the end of the quarter upon Internal Audit's request;
15. That Portfolio of evidence files should be reviewed by the General Manager and signed as evidence of review;
16. That Portfolio of evidence files should be provided to internal audit within the stipulated deadlines and failure thereof should be reported to the City Manager as it is expected that these files are provided for auditing after the General Managers have performed their reviews;
17. That Senior Managers should ensure that all performance reported is accompanied by supporting

documentation that is valid, verifiable and relevant; and

18. That Consequence Management should be enforced in instances where the evidence is not provided for audit purposes
19. That the City Manager should ensure that a review and verification of the actual achievements should be performed to ensure accurate reporting;
20. Furthermore, the PMS unit should on a random basis perform physical verification to validate the reported information;
21. That every quarterly report must be cross-referenced to the portfolio of evidence file to ensure that reported performance is adequately supported;
22. That General Managers when assessing Senior Managers should verify that all portfolio of evidence has been submitted and placed on file;
23. That General Managers should ensure that there is sufficient evidence to support achieved targets reported in the report; and
24. Consequence Management should be enforced in instances where the achievement/non-achievement of targets is not supported by adequate evidence.
25. That all information provided by departments should be verified and audited by a performance management department, that is, supporting documentation should be available for review to verify KPI's annual actuals reported.
26. That Management should ensure that an appropriate portfolio of evidence is kept that is sufficient, valid accurate and complete to support reported performance information
27. That the results reported on the Annual performance report should be further verified and audited by the municipality's internal audit department.
28. That Senior Managers should ensure that all performance reported is supported by documentation that is valid, verifiable and relevant. Furthermore, the Senior Managers should sign off the POE files as evidence of taking responsibility for accurate preparation of the report and confirming that all reported performance is supported by valid supporting documentation.
29. That the General Managers should conduct a thorough review of the progress reports and ensure that all performance reported is verified against supporting documentation to confirm the validity and accuracy of the reported performance and to confirm that the supporting documentation is well referenced to the quarterly reports.
30. Furthermore, the PMS unit should on a random basis perform physical verification to validate the reported information.
31. That the City Manager should ensure that the General Managers and Senior Managers perform the required reviews of performance information in their area of operation prior to submitting the PoE files for audit purposes; and
32. That the process to be followed in reviewing the performance should be detailed in the procedures of Annual Performance.
33. Consequence management should be undertaken by the City Manager against the General Managers for failure to adhere to the Portfolio of Evidence development Standard Operating Procedures manual.

34. The content of the POE file must be reviewed by the General Managers to ensure accuracy and completeness of the information contained therein.
35. The General Managers should ensure that a proper record of POE file is adequately referenced for ease of reference.
36. POE files should be reviewed from time to time to ensure compliance with the PoE development Standard Operating Procedures manual.
37. The General Managers should ensure that have appropriate system to collect, collate, verify and store performance
38. A review of this information must be made to ensure that the information is valid, accurate and complete.
39. Management should ensure that an appropriate portfolio of evidence is kept that is sufficient, valid accurate and complete to support reported performance information.
40. It is the General Manager's responsibility to ensure that accurate and complete PoE files are submitted for auditing; therefore, the City Manager should ensure that consequence management is implemented for any noncompliance to policies, procedures and SOP's.

47. **RELOCATION OF RISK MANAGEMENT FUNCTION FROM INTERNAL AUDIT UNIT (REF:3.10.1.1)**

Report dated 15 December 2020 by Chief Audit Executive.

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It was

**AGREED TO RECOMMEND TO THE
FULL COUNCIL**

That the post of a Chief Risk Officer and the incumbent be relocated to report directly to the City Manager with effect from 1 February 2021 or alternatively once the handing over process for this function has been completed.

48. **REPORT ON THE COST BENEFIT ANALYSIS OF INSOURCING VERSUS OUTSOURCING SECURITY SERVICES (REF:3.10.1.1)**

Copy of report dated 16 October 2019 by the Chief Audit Executive submitted to the City Administrator (*Submitted for information*).

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It was

AGREED

That the report dated 16 October 2019 by the Chief Audit Executive on the **Cost Benefit of Insourcing versus Outsourcing Security Services** which was previously submitted to the City Administrator, be NOTED.

49. **FINAL INTERNAL AUDIT REPORT ON SECTION 52, 66 AND 71 OF THE MFMA FOR QUARTER 4 OF THE 2019/2020 FINANCIAL YEAR (REF:3.10.1.1)**

Report dated 9 February 2021 by the Chief Audit Executive (Ref:A5-2020/21).

(Page 282 of agenda)

The Audit Committee queried the operational and the compliance implications of reporting inaccurate information to the Treasury.

The Chairperson expressed concern that such reports were for oversight, and the associated reporting meant that oversight was being carried out on **inaccurate information** to the Strategic Management Committee, Audit Committee, Municipal Public Accounts Committee and to the Full Council.

Management was cautioned that the inability to **install a system of internal control that generated timeous and accurate information was a direct contravention of the Municipal Finance Management Act.**

The Audit Committee sought confirmation on the **root causes for the inaccuracies** in the report.

The Manager: Assurance pointed out that one of the main issues was that **reconciliations were not prepared** and that **the figures on the Annual Financial Statements and Section 71 Reports were not reconciled.**

The Business Unit was requested to prioritize the appointment of the service provider for the MSCOA Alignment.

It was indicated that Management **needed to accept and to understand that the SAP modules were problematic.** Management was instructed to ensure that there were systems in place to provide manual inputs *in lieu* of the problematic SAP Modules.

The Committee indicated that performance management must be implemented for this reporting.

The concern of the Committee was the next course of action when such performance reviews had failed.

Management was urged to send written emails to the Internal Audit Unit confirming their support for the respective findings, or reasons for not supporting the findings by providing substantial responses to the Internal Audit Unit.

It was requested that Management and Internal Audit must engage further on these issues prior to this report being considered at Council

It was thereafter

**AGREED TO RECOMMEND TO THE
FULL COUNCIL**

1. That the Senior Manager: Budget, Planning, Monitoring and Implementation and Chief Financial Officer should adequately review the Schedule C reports to ensure accuracy and completeness before the data strings are uploaded to the National Treasury portal;
2. That the Chief Financial Officer should speed up the process of appointing a service provider who will configure the outstanding SAP modules and provide support that will assist the Municipality to fully comply with mSCOA; and
3. That the Senior Manager: Budget, Planning, Monitoring and Implementation and Chief Financial Officer should ensure that data strings are correct when extracting from the system and uploading to the National Treasury portal.
4. That the Senior Manager: Budget, Planning, Monitoring and Implementation and the Chief Financial

Officer should adequately review the monthly Section 71 reports to ensure accuracy; and

5. That going forward, once the audited Annual Financial Statements are available these adjusted figures should be used.
6. That the amounts recorded in **Schedule C** should be reviewed by a senior official to ensure that amounts agree to the approved adjustment budget (Schedule B) prior to being uploaded to the National Treasury portal.
7. That the Senior Manager: Budget, Planning, Monitoring and Implementation should ensure compliance with rules and regulations by monitoring timeous completion and submission of information required by authorities; and
8. That the Senior Manager: Budget, Planning, Monitoring and Implementation should follow up with the Supply Chain Management Unit for the acquisition of modules to fast track the process of preparing data strings automatically rather than manually to prevent errors.
9. That the Senior Manager: Budget, Planning, Monitoring and Implementation and the Chief Financial Officer should adequately review workings prepared and mapped from the Statement of Financial Performance reports that are used to populate the Section 71 reports, to ensure that correct figures are included in the Section 71 reports.
10. That the Senior Manager: Budget, Planning, Monitoring and Implementation and the Chief Financial Officer should adequately review Schedule C reports to ensure accuracy and consistency across all schedules.
11. That Management should ensure that supporting schedules/ documents to journals are adequately signed off and approved by the relevant officials prior to processing journals, as a way of strengthening internal controls and reducing the risk of fraud and error.
12. That the Senior Managers/Heads of Departments in respective business units should adequately review prepared vouchers to ensure accuracy and consistency between supporting documents and schedules prior to routing vouchers to Finance for processing.
13. That the Chief Financial Officer and Senior Manager: Budget, Planning, Monitoring and Implementation need to follow up with the Webmaster to ensure that Section 71 reports are uploaded to the website in a timely manner and to ensure accuracy and consistency between budget statements and upload dates; and
14. That the Webmaster should monitor information uploaded to the Municipal website as well as the dates in which information is uploaded to ensure accuracy and consistency thereof.

50. **FINAL INTERNAL AUDIT REPORT ON SAFE CITY (REF:3.10.1.1)**

Report dated 12 February 2021 by the Chief Audit Executive (Ref: FUA1-2019/2020).

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The Audit Committee sought clarity on what extent were the recommendations made in this report adjusted to take into account Management responses, and to what extent were the recommendations adjusted or amended.

It was

**AGREED TO RECOMMEND TO THE
FULL COUNCIL**

1. That the Senior Management and the Safe City Board should pursue entering a memorandum of understanding with the South African Police Service to ensure the roles and responsibilities of the SAPS is clearly outlined as well as the expected support in terms of responding to reported incidents.
2. That the Senior management should also explore areas of alignments and collaboration with other security forums and entities within the same areas that Safe City operate in. This shall increase the security consciousness of the community and potentially broaden the resources available to respond to incidents.
3. That on-going meetings should be held to monitor and evaluate the operations of Safe City with SAPS
4. That Senior management and the Safe City Board should ensure that the crime statistics, specifically the statistics regarding the out of camera areas with the highest crime rates, are identified and form the basis of the expansion plan in the Safe City Strategic Business Plan.
5. That Senior management and the Board should ensure that the expansion of camera surveillance is included in the Annual Performance Plan as well as the annual budget to ensure this is prioritized.
6. That Senior management and the Board should engage SAPS and other key stakeholders to ensure there is a coordinated effort to preventing and responding to crime, especially in areas that are out of the camera surveillance.
7. That Senior management and the board must assume responsibility for the governance of stakeholder relationships by setting the direction for how stakeholder relationships should be approached and conducted in the organization.
8. That the Municipality must assist in facilitating engagement and collaboration between its stakeholders.
9. That Senior management and the board must pursue the signing of a memorandum of understanding in order to clarify the working relationship with key stakeholder (especially where entering into a Service Level Agreement is not possible).
10. That Senior management and the Board should ensure that the service level agreement signed covers at least a three-year period, with the rolling budget being reviewed and approved annually.
11. That Senior management and the Board should review whether the amount meets the definition of irregular expenditure. Should this be determined to be the case, the expenditure on this contract must be included in the Irregular Expenditure Register and an investigation must be undertaken.
12. That Senior management and the Board should ensure that all procurement undertaken by Safe City is compliance with SCM regulations.
13. That Senior management and the Board should ensure that all contracts are reviewed so as they meet the strict contract management standards, specifically regarding their start and end dates.
14. That Senior management and the Board should ensure a multi-year service level agreement is signed with Msunduzi Municipality to avoid gaps in funding.
15. That Senior management and the Board should ensure the SLA is complied with and the invoice is sent timeously to the municipality.

16. That Msunduzi Municipality should ensure compliance with Treasury Regulations and settle all invoices submitted within 30 days.
17. That Senior management and the Board should engage SAPS regarding putting in place processes for managing the SAPS official on duty as well as any absenteeism that may occur.
18. That Senior management must ensure that all Masterfile amendments are supported by sufficient and appropriate evidence before being approved.
19. Senior management and the Board should ensure the position of Data (CI) Analyst is included in the Succession Plan and suitable employees should be identified for development and training in this position
20. That Senior management and the Board should review the succession plan to ensure all key positions are included in the plan (not only positions that are traditionally seen as management positions)
21. That Senior management and the board must ensure that all policies are reviewed periodically and signed with the date of when the review occurred.
22. That Senior management and the Board should prioritize entering a memorandum of understanding with the NPA. The MOU must include an outline of how feedback will be provided to Safe City regarding the progress of the dockets within the courts.
23. That managers and supervisors should ensure the Occurrence Book, Evidence Register, and Docket Tracker are reviewed periodically to ensure the details of incidents are fully captured and the references between these documents align.
24. That Senior management should ensure that evidence is collected and maintained to support the development undertaken for the identified personnel.
25. That Senior management must ensure that training and development of personnel must also include recognized courses with certifications so as the quality of training and competence may be better supported.

51. **FINAL INTERNAL AUDIT REPORT ON HUMAN RESOURCES MANAGEMENT (REF:3.10.1.1)**

Report dated 29 January 2021 by the Chief Audit Executive (Ref:A1-2020/21).

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The Audit Committee sought clarity on the comments of Corporate Services to this report.

It was thereafter

**AGREED TO RECOMMEND TO THE
FULL COUNCIL**

1. That the City Manager, Policy and manual to be reviewed and approved at least annually or in terms of the relevant review clauses where applicable.
2. That Recruitment: Compensation Management Section should ensure that there is an effective record keeping system in place.

3. That Control measures, i.e. to ensure all personnel files are used within HR offices only where possible and there is a record tracking mechanism in place should be reinforced for strict adherence.
4. That Recruitment: Compensation Management Section needs to ensure the Employment Policy is reviewed and incorporate the type of reference checks and upon whom the checks will be conducted for in the policy.
5. That Recruitment: Compensation Management Section needs to ensure that employees are accountable for strict and consistent adherence to the policy.
6. That Recruitment: Compensation Management needs to ensure the regret letters are sent to unsuccessful applicants after receiving written acceptance of offer by the successful candidate(s), within a reasonable time period.
7. That Recruitment Officer should advertise vacancies only when the SVA is duly completed and signed.
8. That Employment Policy should be reviewed and revised where necessary if different panel members are allowed to sit in shortlisting and/or interview sessions.
9. That Recruitment Officer should ensure delegations are obtained prior to the shortlisting and interview sessions and a copy of the delegations is kept in the vacancy control file.
10. That where delegations are obtained, the Recruitment officer should ensure that the members attending the shortlisting and interview sessions are the delegated nominees.
11. The Policy should be re-communicated to all relevant officials for strict adherence.
12. Recruitment Officer should ensure that all members participating in the recruitment process including the Union (SAMWU and IMATU) representatives sign the declaration and the duly signed declarations are maintained in the vacancy control file.
13. Recruitment Officer should only schedule for interviews when the shortlisting report is duly completed and authorized.
14. Recruitment Officer should only make an offer of employment to the successful candidate when the Appointment Approval Form is duly completed and signed.
15. There should be no change in HR official responsible for the shortlisting and interview sessions for continuity purpose.
16. HR Recruitment Officer should ensure that the review of Shortlisting Report and Appointment Approval Form is thorough so that the information recorded in these documents is valid, complete and accurate.
17. The municipality should consider enforcing probation for all newly appointed employees before permanently employing the employees.
18. Should probation be deemed to be irrelevant or impractical to enforce, HR management should ensure that the probation clause is removed from the Employment Policy and contract of employment.
19. The Accounting Officer and the General Manager: Corporate Services should consider implementing a performance management system for all permanent employees.

20. Job Evaluation: Compensation Management Section should consider having the job descriptions or a list of duties and responsibilities discussed between the employer and employee and signed by both as acknowledgement of roles and responsibilities, competency requirements, reporting relationships and acceptance thereof.
21. Principal Administration (Benefits): Compensation Management Section should ensure that the policy and procedures are developed, approved by Council and implemented.
22. Once developed and approved, the relevant employees should be educated and trained on the policies and procedures.
23. That the policy and procedures should be reviewed and revised as and when necessary.
24. Principal Administration (Benefits): Compensation Management Section should ensure that there is an effective record keeping system in place.
25. That Control measures, i.e. to ensure a termination file is maintained for all terminations and all relevant termination records are maintained in the file, should be reinforced for strict adherence.
26. That an exercise to be undertaken to ensure all contractors have a valid and signed contract in place.
27. That Contractors with expired contracts should either be terminated or provided with a renewal contract.
28. That Termination checklist should be developed by Human Resources which will require to be completed, signed and dated by the business unit, ICT, Human Resources and Pay Office.
29. That the termination checklist should serve to ensure that all municipal resources (laptops, access cards, etc) are returned prior to exiting and that all relevant officials are aware of the termination.
30. The completed termination checklist should be maintained in the employee files.
31. That HR protocol to be re-communicated to all relevant officials for strict adherence.
32. That HR management to consider introducing and implementing consequence management for ineffective execution of roles and responsibilities.
33. That Benefits: Compensation Management Section should ensure that all relevant and necessary sign-off requirements are incorporated in the exit form.
34. That all relevant officials should be briefed as to how and when to complete the revised exit form.
35. That Management to consider introducing and implementing consequence management for ineffective execution of roles and responsibilities.
36. That Benefits: Compensation Management Section should ensure that there is an effective record keeping system in place by using a filing checklist for all benefits files.
37. That Control measures should be reinforced for strict adherence to ensure that adequate and reliable supporting documentation is maintained for all HR related matters.
38. That the Benefits Office should liaise with Pay Office when calculating employee exit benefits.

39. That the final benefits to be paid out should be counter signed by Pay Office acknowledging accuracy thereof.

40. Benefits Office should ensure a copy of the final pay-off is reconciled to the SE form and maintained in the benefits file.

41. That the HRSSMs should ensure that an exit interview is conducted for all terminated employees where possible and a record be maintained in the termination file, including a record of those who declined the exit interview.

42. That Control measures, i.e. to ensure an exit interview is conducted and record be maintained in termination file, should be reinforced for strict adherence.

43. That Grievance procedures to be re-communicated to all employees and reinforced for strict adherence.

44. That the Accounting Officer and the General Managers should ensure that there are measures in place to monitor and contain overtime.

45. That the Accounting Officer to consider introducing and implementing consequence management for ineffective overtime management.

52. **STATUS UPDATE AND REVISION OF THE ANNUAL AUDIT PLAN (REF:3.10.1.1)**

Report dated 12 January 2021 by the Chief Audit Executive.

(Page 399 of agenda)

It was

AGREED

That the Chief Audit Executive submit a **full status report on the 3 year rolling plan** to the next meeting of the Audit Committee, together with an indication of what items were possible to achieve before year end with the new staff and the new Panel of Service Providers.

It was further

**AGREED TO RECOMMEND TO THE
FULL COUNCIL**

That the **Status Update**, and the **proposed changes to the 2020/21 Annual Audit Plan**, as outlined in the report dated 12 January 2021 by the Chief Audit Executive, be NOTED and be SUPPORTED.

53. **PROGRESS REPORT ON INTERNAL AUDIT FINDINGS FOR THE 2016/17, 2017/18 AND 2018/19 FINANCIAL YEARS and PRESENTATION ON THE INTERNAL AUDIT TRACKING TOOL (REF: 3.10.1.1)**

Report dated 10 February 2021 by the Senior Manager: Office of the City Manager.

(Circulated separately)

The Senior Manager: Office of the City Manager was commended on the improvement of the report.

The Audit Committee queried the lack of movement in addressing issues by the Infrastructure Services Business Unit.

Clarity was sought on which official was responsible for driving the movement of responses on this report.

The Senior Manager: Office of the City Manager reported that there was an Action Plan in place to track all resolved and unresolved matters on this report. She advised that there was monthly monitoring of responses, along with a weekly roster to meet each individual business unit.

It was pointed out that the Audit Committee still needed to discuss the issue of **Close Out of Items** on this report at the next meeting of the Audit Committee.

The National Treasury Representative (Mr L Holland) advised that there needed to be correlation of the unresolved findings in relation to the Audit.

It was

AGREED

That a specific report from the **Chief Financial Officer**, the **General Manager: Infrastructure Services**, and the **General Manager: Community Services** (not an excel spreadsheet) be summarized and with a presentation from each General Manager be presented to the next meeting of the Audit Committee that specifically addresses the following issues:-

- The nature of the findings that remain unresolved from 16/17 to 18/19,
- The reason that they were not yet resolved,
- Which items were resolvable in the short term, and which items were resolvable only in the medium to long term,
- For those items that should be resolvable in the short term but were continuously not resolved, the real reason must be provided, together with the root cause for the root cause, of why these items are not moving for close out.

It was further

**AGREED TO RECOMMEND TO THE
FULL COUNCIL**

That the progress report dated 10 February 2021 by the Senior Manager: Office of the City Manager on the **Internal Audit Findings for the 2016/2017, 2017/2018 and 2018/2019 financial years** as at **31 January 2021** be NOTED.

54. **ACTION PLAN TO ADDRESS THE 2018/2019 AG AUDIT FINDINGS AS AT 30 JUNE 2020 (REF:3.10.R)**

Report dated 11 February 2021 by the Senior Manager: Finance Governance and Performance Monitoring.

(Item 34 of agenda circulated separately on the AC Agenda Link)

It was

AGREED

That the report dated 11 February 2021 by the Senior Manager: Finance Governance and Performance Monitoring of **the Action Plan to address the 2018/2019 AG Audit Findings as at 30 June 2020**, be noted.

55. **PROGRESS ON THE FINANCIAL RECOVERY PLAN: JANUARY 2021**

Presentation of the Financial Recovery Plan: January 2021.
(Item 35 of agenda)

It was

AGREED

- (a) That the **Presentation** of the **Financial Recovery Plan** by the Chief Financial Officer for the **month of January 2021**, be NOTED.
- (b) That the dates on the Financial Recovery Plan be corrected and be updated for the next meeting of the Audit Committee.

56. **PROGRESS ON REVENUE COLLECTION FOR THE MONTHS OF DECEMBER 2020 AND JANUARY 2021**

Power Point Presentation on Revenue Collection for the month of January 2021.

(Item 36 on agenda)

Clarity was sought on whether the Debt Collection Initiative was effective in reducing the debt. The Business Unit was requested to include in their report **other measures implemented to improve revenue collection**, as well as **measures to expedite the collection of revenue**.

It was

AGREED

That the presentation of the **Revenue Collection for the months of December 2020 and January 2021**, be noted.

57. **PROGRESS REPORT ON STAFF AND COUNCILLOR DEBT FOR DECEMBER 2020 AND JANUARY 2021**

(Item 37 on agenda)

It was noted that there was no report on Staff and Councillor Debt for December 2020 and January 2021.

NOTED.

58. **SECTION 66 OF THE MUNICIPAL FINANCE MANAGEMENT ACT NO.56 OF 2003: EXPENDITURE ON STAFF BENEFITS REPORT: OCTOBER 2020 TO JANUARY 2021 (REF:3.7.P)**

Report dated 16 February 2021 by Senior Manager: Budget, Planning, Implementation and Monitoring Plan (Ref: Rep No.4).

(Item 38 on agenda circulated separately on the AC Agenda Link)

Following brief discussion, it was

AGREED

That the report dated 16 February 2021 by Senior Manager: Budget, Planning, Implementation and Monitoring Plan (Ref: Rep No.4) considering the **Section 66 Reporting on Expenditure for Staff Benefits: Overtime incurred over October 2020 to January 2021**, be NOTED.

59. **SECTION 71 OF THE MUNICIPAL FINANCE MANAGEMENT ACT NO.56 OF 2003: (REF: 3.7.P)**

Report dated 10 February 2021 by the Senior Manager: Budget, Planning, Implementation and Monitoring Plan (Ref: Rep No.7).

(Item 39 of agenda circulated separately on the AC Agenda Link)

Following brief discussion, it was

AGREED

That the report dated 10 February 2021 by Senior Manager: Budget, Planning, Implementation and Monitoring Plan (Ref: Rep No.7) **considering the Section 71 of the Municipal Finance Management Act, Act No.56 of 2003 regarding the monthly bank statements for the period ending 31 January 2021**, be noted.

60. **CONDITIONAL GRANTS: UNSPENT BALANCES OF CONDITIONAL GRANTS AS AT 17 DECEMBER 2020 (REF:3.4.5)**

Reports dated (i) 17 December 2020 and (ii) 3 February 2021 by the Senior Manager: Budget Planning, Implementation and Monitoring.

(Pages 393 and 396 of agenda)

It was

AGREED

- (a) That the reports dated 17 December 2020 and 3 February 2021 by the Senior Manager: Budget Planning, Implementation and Monitoring be noted.
- (b) That the Senior Manager: Budget Planning, Implementation and Monitoring submits a separate report to the next meeting of the Audit Committee outlining the following information: -
 - The shortfall on **Cash Backing** and a Resolution thereof
 - what is the cause,
 - which **projects are not cash backed**,
 - why these projects are not cash backed
 - how will management resolve this and
 - what actions have Management taken to ensure compliance with the DORA, MFMA and any funding conditions and Provincial Treasury and /NT requirements.

61. **IRREGULAR EXPENDITURE FOR QUARTER 2 FOR 2020/2021 (REF:3.7.1(2019/2020))**

Report dated 10 January 2021 by the Manager: Demand and Acquisition.

(Item 41 on agenda circulated separately on the AC Agenda Link)

The Committee sought progress on the historical items and the timeframes it took for investigation and referral to the Disciplinary Board.

It was subsequently

AGREED

- (a) That a copy of the Unauthorized, Irregular, Fruitless and Wasteful Expenditure (**UIFW**) **Reduction Plan** and the **Terms of Reference** of the Disciplinary Board, together with a **Council-approved UIFW Reduction Plan** to deal with resolution of the historical items be forwarded to the National Treasury Representative (Mr L Holland).
- (b) That the City Manager was **requested** to submit the **Disciplinary Board Charter** to Provincial Treasury, and to provide a council approved UIFW Reduction Plan to go through the structures and to the Full Council, as well as for submission to the Audit Committee for information.

It was further

**AGREED TO RECOMMEND TO THE
FULL COUNCIL**

That the **irregular expenditure for the second quarter of the 20/21 financial year** amounting to **R 13 930 931,73** be subjected to an investigation and review by internal audit to determine:

1. If Council authorized the institution of disciplinary measures against responsible officials and or start the recovery process or if the council can authorize an amount incurred to be written off as irrecoverable.
2. In terms of Section 32 (4) of the Municipal Finance Management Act, the MEC for Local Government in the Province and the Auditor General be advised in writing of the irregular expenditure amount.

62. **MONTHLY REPORT: FRUITLESS AND WASTEFUL EXPENDITURE: (REF: 3.7.1(2020/2021))**

(Item 42 on agenda)

The Audit Committee was advised that the next report on Fruitless and Wasteful Expenditure was due for the meeting in April 2021, as a detailed report for the last quarter was considered at the meeting held on 2 February 2021.

NOTED.

63. **MONTHLY REPORT ON DEVIATIONS, EMERGENCY/URGENT WORK UNDERTAKEN AS AT MONTH ENDING 31 DECEMBER 2020 (REF: REPORT WAS NOT REFERENCED)**

Report dated 31 December 2020 by the Senior Manager: Supply Chain Management (Ref:Ur/Emer/December 2020).

(Item 44 on agenda circulated separately on the AC Agenda Link)

It was

AGREED

That the report 31 December 2020 by the Senior Manager: Supply Chain Management (Ref:Ur/Emer/December 2020) considering the **Deviations, Emergency and Urgent Work as at 31 December 2020**, be noted.

64. **SAP QUARTERLY REPORTING: PROGRESS ON THE IMPLEMENTATION OF INTERNAL AUDIT FINDINGS ON SAP ERP FOR THE PERIOD: (PROGRESS REPORT ON SAP AND MSCOA) (REF:2.2.3.2.4)**

Report dated 16 February 2021 by the Senior Manager: Expenditure for Item 21 on the agenda.

(Item 45 of the agenda)

It was reported that the Quarter 3 Progress report on the **Implementation of the Internal Audit Findings on SAP ERP** was due for submission for the next Audit Committee meeting in April 2021.

Following discussion, it was

AGREED

That the progress report dated 16 February 2021 by the Senior Manager: Expenditure on the **Re-Implementation of SAP to be MSCOA enabled**, be noted.

65. **REVENUE ENHANCEMENT: FEEDBACK ON TIP-OFFS ANONYMOUS SANITISED REPORT (3.10.1.1)**

Report dated 23 October 2019 by the Senior Installation Auditor.

(Page 415 of the agenda)

It was

AGREED

That the report dated 23 October 2019 by the Senior Installation Auditor on the **Feedback on Tips-Offs: Anonymous Sanitized Report**, be noted.

66. **SAFE CITY QUARTERLY REPORT: OPERATIONAL AND FINANCIAL MATTERS: NOVEMBER 2020/21 (REF: 21.3.1)**

Report dated 3 December 2020 by the Manager: Safe City.

(Page 433 of the agenda)

It was

AGREED

That the report dated 3 December 2020 by the Manager: Safe City considering the **Safe City Quarterly Report on Operational and Financial Matters for November 2020**, be noted.

67. **QUARTERLY INTEGRATED ICT REPORTING AS REQUESTED IN THE SUGGESTED TEMPLATE BY THE AUDIT COMMITTEE**

(Item 48 on agenda)

It was reported that the Quarter 2 ICT Integrated Report was considered at the Audit Committee meeting held on 2 February 2021. The Committee was advised that the next quarterly report would be submitted to the Audit Committee meeting in April 2021. Therefore, there was no report for the current meeting.

NOTED.

CONFIDENTIAL: NOT FOR PUBLICATION

68. **PROGRESS REPORT ON MANAGEMENT OF PAYMENTS BY THE MSUNDUZI HOUSING ASSOCIATION AND STATUS OF ARREAR DEBTS ON RENTALS**

Report dated 16 February 2021 by the Manager: Debtors Management.

(Item 25 on agenda)

69. **UPDATE ON COLLECTION STATUS ON ACCOUNT NUMBER: 03715470**

Report dated 7 February 2021 by the Manager: Debtors Management.

(Circulated separately)

70. **CONFIRMATION OF CONFIDENTIAL MINUTES**

Meeting held on 2 February 2021.

(Confidential Committee Circular No.6 of 2021)

71. **FORENSIC INVESTIGATION INTO IRREGULAR EXPENDITURE FOR 2019/20 FINANCIAL YEAR (REF:3.10.1.1)**

(i) Report dated 11 January 2021 by the Chief Audit Executive (Ref:FI-05/2020-21).

(Page 1 of Confidential Committee Circular No.6 of 2021)

(ii) Report dated 26 January 2021 by the Chief Audit Executive (Ref 01/2020/2021).

(Item 58 on agenda circulated separately on the Confidential AC Link).

72. **FORENSIC INVESTIGATION INTO ALLEGED FRAUDULENT OVERTIME CLAIMS SUBMITTED BY MR VG PHUNGULA PAY NO.220763 SUPERVISOR AND BY HIS ENTIRE TEAM OF GENERAL ASSISTANT WORKERS WHO PERFORM THE NIGHT SHIFT STREET SWEEPING AND ABSENTEESIM IN THAT THEY DEPARTED FROM THEIR WORK STATION MANY HOURS BEFORE THE EDN OF THEIR SHIFT: COMMUNITY SERVICES BUSINESS UNIT: WASTE MANAGEMENT (REF: 3.10.1.1)**

Report dated 20 January 2021 by the Chief Audit Executive (Ref:FI-10-2019/20).

(Pages 57 and 90 of Confidential Committee Circular No.6 of 2021)

73. **FORENSIC INVESTIGATION INTO ALLEGED FRAUDULENT OVERTIME CLAIMS SUBMITTED BY MR AT ZONDO PAY NO.2206140 SUPERVISOR AND HIS ENTIRE TEAM OF GENERAL ASSISTANT WORKERS WHO PERFORM THE NIGHT SHIFT STREET SWEEPING AND ABSENTEESIM IN THAT THEY DEPARTED FROM THEIR WORK STATION MANY HOURS BEFORE THE END OF THEIR SHIFT: COMMUNITY SERVICES BUSINESS UNIT: WASTE MANAGEMENT (REF: 3.10.1.1)**

Report dated 20 January 2021 by the Chief Audit Executive (Ref:FI-21-2019/20).

(Page 123 of Confidential Committee Circular No.6 of 2021)

74. **FORENSIC INVESTIGATIONS INTO ALLEGED LOSS OF GOODS AT THE TAXI RANK: PUBLIC SAFETY: COMMUNITY SERVICES (REF:3.10.1.1)**

Report dated 14 December 2020 by the Chief Audit Executive (Ref:FI 44 2019/2020).

(Item 53 on agenda circulated separately on the *Confidential* AC Agenda Link)

75. **FORENSIC INVESTIGATION INTO ALLEGED FRAUDULENT APPLICATION FOR A RDP HOUSE AT AMBELTON: MSUNDUZI MUNICIPALITY (REF: 3.10.1.1)**

Report dated 11 December 2020 by the Chief Audit Executive.

(Item 54 on agenda circulated separately on the *Confidential* AC Agenda Link)

76. **FORENSIC INVESTIGATION INTO NONE DISCLOSURE OF CONFLICT OF INTEREST BY THE CHAIRPERSON OF THE BID EVALUATION COMMITTEE IN THE EVALUATION OF SCM 5 OF**

2020/2021 AND PERFORMANCE OF REMUNERATIVE WORK WITHOUT CONSENT OF COUNCIL (REF:3.10.1.1)

Report dated 17 December 2020 by the Chief Audit Executive (Ref:FI-FI-10/2020-21).

(Item 55 on agenda circulated separately on the *Confidential AC* Agenda Link)

77. **FORENSIC INVESTIGATIONS INTO ALLEGED DAMAGES TO IMPOUNDED VEHICLE BY THE TRAFFIC DEPARTMENT (REF:3.10.1.1)**

Report dated 14 December 2020 by the Chief Audit Executive (Ref: FI-45/2019-20).

(Item 56 on agenda circulated separately on the *Confidential AC* Agenda Link)

78. **FORENSIC INVESTIGATION INTO ALLEGED FRAUD ON MONTHLY TRAVELLING ALLOWANCE CLAIMS SUBMITTED TO MS BL MTHETHWA: THE THEN ACTING MANAGER FLEET (REF: 3.10.1.1)**

Report dated 15 December 2020 by the Chief Audit Executive (Ref: FI 28-2019-20).

(Item 57 on agenda circulated separately on the *Confidential AC* Agenda Link)

79. **REPORT ON THE PROGRESS ON FORENSIC INVESTIGATIONS, CRIMINAL INVESTGATIONS AND PROSECUTIONS INTO ALLEGATIONS OF FRAUD, CORRUPTION, THEFT, ETC (REF: 3.10.1.1)**

Report dated 26 January 2021 by the Chief Audit Executive (Ref: 01/2020/2021).

(Page 157 of Confidential Committee Circular No.6 of 2021)

80. **FORENSIC INVESTIGATION INTO ALLEGED IRREGULAR APPOINTMENT OF SECURITY OFFICERS WITH CRIMINAL RECORDS: COMMUNITY SERVICES (REF: 3.10.1.1)**

Report dated 5 February 2021 by the Chief Audit Executive (Ref: FI-34-2019/2020).

(Page 171 of Confidential Committee Circular No.6 of 2021)

81. **CONSEQUENCE MANAGEMENT: STATUS QUO REPORT FOR THE PERIOD 1 OCTOBER 2020 to 31 DECEMBER 2020 (REF: 3.10.1.1)**

(Item 61 on agenda)

NOTE BY SENIOR MANAGER: SECRETARIAT & AUXILLIARY SERVICES: Due to the strict confidentiality of this item, an extract of the minutes under this item has been given to the Audit Committee members ONLY and a copy filed in the official CONFIDENTIAL records.

20 Apr
2021

82. **UPDATE BY THE OFFICE OF THE AUDITOR GENERAL**

(Item 9 on the agenda)

82.1 Finalization of the Report by the Auditor General

The Business Executive: AGSA reported that the Auditor General's Report for the 2019/2020 Financial Year had been concluded and signed. It was noted that Messrs H Makhanyela and L Njokwe have attended most meetings of the Audit Committee.

82.2 Acknowledgment of co-operation by the Management Team and Support of the Audit Committee

On behalf of the Office of the Auditor General, the Business Executive: AGSA and the AGSA Team extended their gratitude to the Management Team, together with members of the Audit Committee for their co-operation and submissions to the Auditor General's Report.

82.3 Concern over lack of reconciliation of the Performance Audit to Poor Service Delivery

The Committee pointed out that there was a mismatch with regards to the report on Performance Management in comparison to the actual Service Delivery on the ground. In this regard, the Office of the Auditor General was requested to provide some insight into how Performance Management would be reconciled to the actual delivery of municipal services on the ground.

There was consensus that the **Performance Audit did not speak to the poor service delivery on the ground.**

82.4 Acknowledgment by National Treasury

The Management Team was acknowledged and congratulated for the significant improvement in their reporting, and for clearing most of the findings from the previous year.

The City Manager and his Management Team were urged to improve service delivery on the ground which was the key mandate of local government.

It was reiterated that the **Good Performance Reporting must equate to and be linked with exceptional service delivery on the ground.**

82.5 Acknowledgement by the Chief Audit Executive

The Chief Audit Executive advised the AGSA Team that the Internal Audit Sub-Unit conducted Audits on Performance Management. However, as a result of staffing constraints within the Business Unit, the auditing of service delivery on the ground was not performed. He was in support of focusing on the Council's core function of service delivery.

7.6 Acknowledgment by the Audit Committee

The Audit Committee acknowledged the support providing by the team of officials from the Office of the Auditor General. It was indicated that despite not achieving the desired outcomes on the Auditor General's Opinion, the Management Team were acknowledged and thanked for all their submissions. The Committee commended the tremendous team effort by Management and the AGSA.

It was

AGREED

- (a) That the verbal report by the Business Executive: AGSA on the signing and conclusion of the **Auditor General's Report**, be noted.
- (b) That the Chief Audit Executive ensures that the **Internal Audit Plan** includes a report on the **Performance Audit of Service Delivery on all municipal services** with a view to assist in enhancing and improving service delivery on the ground and to make the relevant findings for Consequence Management as a result of poor performance.

83. **FINAL INTERNAL AUDIT REPORT ON THE MECHANICAL WORKSHOPS (REF:3.10.1.1)**

Report dated 30 March 2021 by the Manager: Assurance (Ref:A13-2019/20).

(Page 44 on the agenda)

The Audit Committee confirmed that the Report reiterated and justified the Committee's longstanding complaints regarding the **"Strip and Quote" method for vehicle repairs as being fruitless and wasteful expenditure**. It was emphasized that Management had **insufficient Plans for the Maintenance of the Entire Municipal Fleet**, and in light of this, **Management was requested to provide a comprehensive response to the report** which detailed far greater consequences on service delivery.

It was noted that the report reflected that Management supported the Final Internal Audit Report on the Mechanical Workshops. However, the Committee found it peculiar that Management supported the findings to the report as the short comings experienced within the Business Unit had a huge impact on service delivery.

In relation to the budget availability or non-availability of budget, Management was urged to provide details to their responses eg. to provide explanations on how such repairs could be deferred until the mid-year review budgeting process or to include a note that the respective repairs that would be committed in the following financial year, as opposed to providing "no comments" or indicating that "there was a lack of budget".

The Ministerial Representative concurred that Management must submit a comprehensive response to the Audit Committee and to the Service Delivery War Room.

The Committee noted that several vacant posts within the Mechanical Workshops were not filled. Clarity was sought on whether the posts identified by the Internal Audit Unit were prioritized.

The City Manager gave the Committee an assurance that the detailed **Management Response** would be submitted to the Audit Committee after the 2021/2022 Budget had been approved and adopted by the Council.

In regard to the filling of **vacant posts**, the City Manager advised the Committee of the position taken by the Ministerial Representative to place the filling of vacancies on hold as there was no funding available to fill vacancies as a result of the poor financial state of the Municipality.

The City Manager reported that the **availability of funds for the payment of Audit Committee Members for the next meeting** also needed to be reviewed as a result of the poor financial health of the Municipality.

Furthermore, the City Manager reported that there was mounting pressure from the residents of the City opposing the proposed tariffs increases for the 2021/2022 financial year. He advised that approximately four thousand (4000) objections were received against the proposed tariff increases.

Clarity was then sought on the state of the City's Fire Engines.

In response to a query, the City Manager advised that there was a lack of funding to repair the City's Fire Engines. He explained that the City Finances were in such a state, that staff in certain business units were utilizing their own monies to repair municipal vehicles so that they were able to conduct their daily duties.

It was subsequently

AGREED

- (a) That the Chief Audit Executive conduct an investigation to determine the **total fruitless and wasteful expenditure incurred for Strip and Quotes conducted on all Municipal Vehicles and respective Plant per Business Unit for the 2019/2020 and 2020/2021 financial years.**

- (b) That the City Manager, in conjunction with the relevant General Managers submit a **detailed response to the Audit Committee in regard to the Final Internal Audit on the Mechanical Workshops** to make the necessary budgetary commitments to assist the Mechanical Workshops Sub-unit in providing them with the relevant support functions needed to undertake their delegated functions to service all business units, detailing the measures that would be undertaken to build the relevant capacity within this Business Unit ensuring that service delivery would no longer be affected.

It was thereafter

**AGREED TO RECOMMEND TO THE
FULL COUNCIL**

- (a) That there should be a separate and comprehensive Policy for Mechanical Workshops considering that Fleet Management and Mechanical Workshops fall under different business units.
- (b) A Fleet Master Plan should be developed and conditional assessments be done on the Municipality's Fleet.
- (c) A Fleet Maintenance Plan needs to be Developed.
- (d) **CAMIS License should be renewed and considered being utilized again or alternatively develop a module on SAP for Fleet Management (including repairs and maintenance).**
- (e) Mechanical Workshops Management should ensure that there is effective record keeping systems in place.
- (f) Control measures should be reinforced for strict adherence to ensure that adequate and reliable supporting documentation is maintained for all Mechanical Workshops related matters.
- (g) The Accounting Officer should consider reviewing the current structure of the municipality and consider combining Fleet Management and Mechanical Workshops under one unit in order to ensure seamless operations.
- (h) Fleet Management and Mechanical Workshops should not be working in silos, but to support and complement each other.
- (i) **The Accounting Officer and the General Manager: Infrastructure Services should increase capacity within the Mechanical Workshops Unit.**
- (j) Adequate training relating to vehicle repairs and maintenance of specialized plant should be provided to the Mechanics.
- (k) Reasonable budget should be allocated to the Mechanical Workshops in order to prioritize the filling of critical vacant positions and provide appropriate training to employees as they have a direct impact on service delivery.
- (l) The Accounting Officer and the General Manager: Infrastructure Services should ensure that a safe and conducive working environment is provided and maintained.
- (m) The General Manager: Infrastructure Services should ensure that items that are "fast moving spares or supplies" must be kept on hand eg. Fuses, lights, brake pads, batteries, etc.
- (n) **The Accounting Officer and the General Manager: Infrastructure Services should increase capacity within the Mechanical Workshops Unit.**

- (o) **CAMIS License should be renewed and considered being utilized again or alternatively develop a module on SAP for Fleet Management (including repairs and maintenance).**
- (p) A Tracking System can be used to assist Fleet Management and Mechanical Workshops to schedule vehicles for services.
- (q) The Accounting Officer should implement Consequence Management against Drivers / Custodians eg. Recover costs incurred by the municipality as a result of service agreements not adhered to.
- (r) That the Manager: Mechanical Workshops should advise the business units on areas of non-compliance / vehicle abuse / negligence.
- (s) The Accounting Officer and General Managers of the respective business units to implement Consequence Management against employees (from Drivers to general Managers where relevant) should the cause of the breakdown be assessed to as driver negligence and abuse.
- (t) The Accounting Officer and General Manager: Infrastructure Services should consider moving Fleet Management to the Mechanical Workshops for administration and reporting support.
- (u) There should be a thorough review conducted on the completeness and accuracy of all Mechanical Workshops reports by the Manager: Mechanical Workshops.

84. **STATUS UPDATE ON THE HIGH LEVEL REVIEW OF THE DRAFT ANNUAL REPORT FOR THE 2019/2020 FINANCIAL YEAR (REF:3.10.1.1)**

Report dated 19 April 2021 by the Manager: Assurance (A9-2020/2021).

(Item 11 on the agenda circulated separately on the agenda link)

Clarity was sought by the Committee on whether the findings outlined in the report were over-and- above or different to those already reported on by the AGSA. The Management Team was advised that in the event of such matters having been audited, it was cautioned that such changes could only be permitted by the Auditor General.

The City Manager acknowledged the findings outlined in the draft review on the Annual Report for the 2019/2020 financial year, and confirmed that the Management Team would address these findings prior to the report being considered by the Council, and would make the relevant corrected comments. He requested that the Internal Audit Unit must review the current Performance Management System in such a manner that poorly performing senior managers were identified.

It was

AGREED

- (a) That the status update on the findings and overall assessment dated 19 April 2021 by the Manager: Assurance (A9-2020/2021) on the **Draft Annual Report for the 2019/2020 Financial Year** be NOTED.
- (b) That the City Manager ensures that the relevant corrected Management comments are updated prior to the report referred to in (a) above is finalized for consideration by the Full Council.

85. **QUARTER 3 CONSOLIDATED AUDIT COMMITTEE REPORT (JANUARY 2021 TO MARCH 2021)(REF:3.10.1.1)**

Report dated 6 April 2021 by the City Manager.

(Page 85 of the agenda)

85.1 Request for refinements in the reporting by General Managers on the Quarterly Consolidated Audit Committee

The Audit Committee reiterated to Management that it was imperative that business units provided **details on the root causes** together with the names and designations of the officials who were responsible for the relevant reporting.

Committee members expressed their disappointment that there were excuses for the non-submission of certain reports. Management was urged to **provide status reports** on the relevant matters, as well as on any other report requested by the Committee notwithstanding the matter being in progress.

The Management Team was advised that the Audit Committee was compelled by Council's requests for **identifying General Managers and Business Units that were underperforming**, as well as the **reasons for such under performance**.

It was emphasized that such reports were crucial for the Audit Committee to review the weaknesses and challenges in order to provide Management with guidance.

85.2 Audit Committee Decision Tracker

The high-level summary of the Audit Committee Decision Tracker was noted.

The Senior Manager: Office of the City Manager advised that the Tracker was presented at each Strategic Management Committee for the findings to be presented to each General Manager for updating.

It was reiterated that the **Audit Committee Decision Tracker was a crucial part of reporting and oversight by the Audit Committee to Council and to the Auditor General**; and that the Committee **required insight into how these findings were being resolved**.

There was concern that the template was not user friendly, and it was also noted that the document was voluminous.

85.3 Consequence Management

It was noted that a comprehensive integrated report was in the process of being compiled by the Ministerial Representative in conjunction with the General Manager: Corporate Services on Consequence Management and the Forensic Investigations.

10.4 Audit Action Plan

The Chairperson pointed out that findings on Annexure A to the report were not resolved. In light of this concern, the Senior Manager: Financial Governance and Performance Monitoring was requested to focus on the findings for the 2019/2020 financial year.

The City Manager was encouraged to ensure that there was accountability and responsibility by all General Managers for inputs.

85.4 Financial Recovery Plan

Members of the Audit Committee supported the Chief Financial Officer's appeal to all Business Units to populate their progress on items enlisted on the Financial Recovery Plan. Officials were reminded of the importance of the report was to **enhance the financial viability of the Municipality**.

The Chairperson advised that the focus of the Council and the Audit Committee was to guide the Municipality into a viable position. She reiterated that the Financial Recovery Plan shaped the Municipality back to a healthy position, and emphasized that it was a crucial report that required all managers to prioritize comment and input.

The Audit Committee Chairperson indicated that there needed to be a broader scope to assist the Budget and Treasury Business Unit in addressing **consumer debt**. She pointed out that consumer debt must be categorized into each into Business Debt, Domestic / Residential Debt and Government Debt for each Ward, outlining all Wards that have unbilled consumers and highlighting all Wards that have consumers that were not paying for any services.

85.5 Revenue Collection

It was reported that Business Unit was conducting weekly meetings for Revenue Enhancement. Committee members noted that a meeting was also held with local businesses to improve debt collection. There was a commitment from the Budget and Treasury Business Unit to submit regular reports to the Committee on the **progress of payments received through the Covid-19 Relief Plan**.

Clarity was sought on whether the discounted amounts on the **outstanding debt proposed through the Covid-Relief Plan were equated into monetary terms**. It was requested that the total discounted values needed to be reported on in order to **note the total monetary value of the total percentage of debt being discounted**.

The Finance Team were commended for their efforts, and the marketing campaign for the Covid-19 Relief Plan was thereafter noted.

The Business Unit was questioned on the accuracy of **outstanding debt as true-debt**, in comparison with **mistakes created through the SAP Billing System**.

With reference to the success of the Covid-19 Relief Plan, the Committee was advised that there was a large number of consumers who have criticized the Plan and deemed it to be unfair to the paying consumers.

The Chief Financial Officer confirmed that a great portion of the debt was old-debt dating back to many years. The Committee was given an assurance that the Business Unit would scrutinize the entire Debtors Book through the Amnesty Process and Indigent registry process. She reported that many consumers had indicated that they had become unemployed during the Covid-19 Pandemic. She explained that by analyzing of the Debtors Book, **all consumer and business billing disputes were being addressed through the weekly Finance Dispute Committee**, which met every Friday to rectify billing disputes.

The Committee was in support of all measures that the Business Unit had in place to improve revenue collection. However, it was stressed that the Municipality **must ensure that the Billing System was credible and billed effectively**.

85.6 Section 66: Expenditure On Staff Benefits: Staff and Councillor Debt

The Chief Financial Officer reported that the Debt Collection Policy had been reviewed and was applied to the **collection of municipal debt by councillors and staff**. It was advised that some of the debt was higher than the total earnings of certain members of municipal councillors and staff.

The Business Unit was commended for their efforts in controlling debt reduction for and councillors staff, and were encouraged to continue with this level of detail in their reporting.

85.7 Section 66: Expenditure on Staff Benefits: Overtime

The City Manager briefed the Committee on the business units that generated the most overtime. He advised that there was a reduction in overtime expenditure since the previous financial year. However, he advised that overtime expenditure increased to approximately R 90 million for the month of December 2020.

It was emphasized that **overtime was a focus area of the Ministerial Representative, the City Manager and the Council**. The Chairperson stressed that it was **imperative to control and to curb overtime expenditure**. She emphasized that the Audit Committee considered numerous reports on forensic investigations on overtime abuse, and fraudulent overtime. Therefore, the Audit Committee's concerns over excessive overtime were justified.

The Chairperson echoed the Committee's queries on the measures that the General Managers were implementing to reduce overtime, as there was clearly no evidence that the General Managers had a firm grip on overtime generated within their respective Business Units in light of the high number of forensic reports on overtime abuse, and fraudulent overtime.

The Audit Committee raised their frustrations with the lack of reporting on overtime by Management, and indicated that it was only up until December 2020 that the Committee received some responses from certain General Managers. Thereafter, the reporting on overtime regressed, and now there was a situation of overtime being out-of-control again. Despite, all General Managers being requested to provide detailed submissions to the Audit Committee on the systems of controls in place for overtime at its meeting held on 23 February 2021, the Chairperson expressed her disappointment that the request by the Audit Committee on overtime reporting continued to be ignored by some General Managers.

The Management Team was reminded that the request for such reports were not a request from the Office of the City Manager, and did not require submission to the Strategic Management Committee in the first instance which resulted in reports becoming back-logged and delayed for timeous submission to the Audit Committee. It was highlighted again, that reports requested specifically for the Audit Committee must come directly to the Audit Committee, and must be compiled in a manner that such reports addressed the Committee's specific requests which did not require the normal generic reports that were submitted to the Strategic Management Committee and the other Portfolio Committees.

The City Manager advised the Committee that he preferred to have all reports submitted to the Strategic Management Committee to ensure and verify that all reports conformed to the standard reporting requirements set by the Office of the Municipal Manager.

The City Manager was then requested to ensure that his office coordinated the timeous submission of reports to the Audit Committee.

10.8 Irregular Expenditure

The Chief Financial Officer was requested to ensure that the Irregular Expenditure report must be updated for the 2020/2021 financial reporting period.

In respect of the Audit Outcomes for security related irregular expenditure which required the individual Business Units to validate receiving such services, it was mentioned that the **internal controls at Business Unit levels were not being undertaken correctly**. Therefore, it was appearing that the Municipality was paying for services that were not validated as having been received or rendered.

The Management Team were counselled over the risks of not implementing and applying correct attention to detail on endorsing and receiving all goods and services that were paid for by the Municipality. Officials were cautioned over the risks of a higher amount of fruitless and wasteful expenditure.

The Chairperson stressed that the **lack of controls on irregular expenditure was a clear weakness**.

The General Managers were urged to improve controls and to endorse with absolute certainty that all goods and services which were received and rendered were authorized and signed off, **prior** to payment, together with all associated proof of evidence files.

The overall opinion of the Audit Committee was that fruitless and wasteful expenditure with the Municipality was understated given the failure of internal controls when expenditure was approved when goods and services were received; it being noted that the Qualification on security was direct proof of this together with the Internal Audit Units findings and reports. In addition to this, the Committee expressed their doubt that over the amount of R 19 797 593,34 in Irregular Expenditure for Quarter 3 (January 2021 to March 2021) as being a true reflection.

10.9 Submission of the first Quarterly Consolidated Audit Committee Report

The Audit Committee extended their appreciation to the City Manager for his first high level consolidated quarterly report to the Audit Committee.

*(At this point in the proceedings, the Chairperson announced a change to the format of the agenda with **items 14 to 32 on the current agenda being deferred** to a future meeting of the Audit Committee yet to be determined in order for the Management Team to conclude their presentations to the Audit Committee and thereafter join an Executive Committee meeting which was due to commence at 14:00 that same day).*

It was

AGREED

- (a) That the updated **Audit Committee Decision Tracker** be DEFERRED to the Audit Committee on 22 June 2021 to allow the Management Team sufficient time to populate collectively.
- (b) That as part of the submissions to the Quarterly Consolidated Audit Committee, General Managers must include details on all **challenges** within their respective business units, together with the associated **root causes**.
- (c) That in the next quarterly submission, the Senior Manager: Financial Governance and Performance Monitoring must focus on the progress made to **resolving the findings for the 2019/2020 financial year**, and to remove the reporting on the 2018/2019 financial year.
- (d) That the Chief Financial Officer submits the following reports to the next meeting of the Audit Committee:-
 - (i) A detailed report to the next Audit Committee meeting on the **R 4 billion Consumer Debt** categorized into Business Debt, Residential Debt and Government Debt for each Ward (detailing the Ward Name and Ward Number only) within the Municipal jurisdiction.
 - (ii) A high level report detailing the **total amount billed for one month categorized** into Business, Government and Residential billing for each Ward (detailing the Ward Names and Ward Numbers only) within the entire municipal jurisdiction.
 - (iii) A detailed report on the **total number of all unbilled consumers in each Ward** (detailing the Ward Names and Ward Number only) within the entire municipal jurisdiction, together with the total estimates on service charges from such areas to determine the total estimated loss to Council over one calendar month.
 - (iv) A high level report outlining **billed consumers** in all Wards within the municipal jurisdiction **that are not paying for any services**, together with the total estimated services charged utilized and estimated debt resultant thereof.

It was thereafter

**AGREED TO RECOMMEND TO THE
FULL COUNCIL**

That the **Quarter 3 Consolidated Audit Committee report for January 2021 to March 2021** as outlined in the report dated 6 April 2021 by the City Manager, be noted.

86. **AUDIT COMMITTEE DECISION TRACKER: 2020/2021 FINANCIAL YEAR (REF.3.10.1.1)**

(Item 12 on agenda)

The Senior Manager: Office of the City Manager advised that the populating of the Audit Committee Decision Tracker required was more time as the document in its current format was lengthy and not user friendly. She proceeded to make reference to high level summary of the Audit Committee Decision Tracker as contained under Item 4.2 of the Quarter 3 Consolidated Audit Committee Report. She anticipated that the first progress report on the Audit Committee Decision Tracker would be available for the Audit Committee meeting on 22 June 2021.

NOTED.

87. **RISK MANAGEMENT REPORT ON MUNICIPAL STRATEGIC RISKS (REF: 3.10.1.1)**

Report dated 16 April 2021 by the Chief Risk Officer.

(Tabled at the meeting)

The Chairperson requested that Management must ensure that Risk Management was cascaded to all levels of employees within the Municipality. It was advised that the relationships between the work undertaken by employees in relation to Risk Management was integrated. It was indicated that the systems of internal controls were designed to mitigate risks. Therefore, as a way forward, Council needed to place emphasis on the value of systems of Internal Controls and Risk Management together with the influence of Strategic and Operational Risks so that there was no silo approach within Council that employees and politicians had nothing to do with risks.

It was

AGREED

- (a) That the City Manager ensures that the **National Treasury Local Government Maturity Risk Questionnaire** was completed.
- (b) That the City Manager include in the next Quarterly Consolidated Audit Committee Report on the **Risk Management Strategy for the 2020/2021 Financial Year**, together with the associated **Implementation Plan**.
- (c) That the City Manager ensures that the **Timelines for all Risk Milestones, together with the assigned officials are reported on at the Audit Committee meeting in the 2nd Quarter of the 2020/2021 financial year**.

It was thereafter

**RESOLVED TO RECOMMEND TO THE
FULL COUNCIL**

- (a) That Mitigation Strategies developed by Management for adequacy and whether these comply with the SMART Principles (Specific, Measurable, Attainable, Relevant and Time-bound) be considered.

- (b) That the City Manager incorporate the Mitigation Strategies into the Performance Agreements of General Managers and Senior Managers.
- (c) That the City Manager enforce Performance Management pertaining to key performance indicators and targets on Risks as per the Performance Management Framework.
- (d) That the City Manager conduct performance assessments on a quarterly basis, acknowledge and reward excellent performance and implement Consequence Management where lack of performance is identified.
- (e) That the Chief Risk Officer conduct a Review of the Performance Targets and Progress of the Implementation of the Risk Intervention Strategies on a quarterly basis with the first review due by **31 October 2021**.

88. **DEFERRAL OF AUDIT COMMITTEE AGENDA ITEMS 14 TO 32**

(Raised verbally)

Subsequent to discussion, it was

AGREED

That due to the unavailability of Management as a result of a special meeting of the Executive Committee, agenda **items 14 to 32** be DEFERRED to the next meeting of the Audit Committee on a date yet to be determined.

CONFIDENTIAL: NOT FOR PUBLICATION

89. **CONFIRMATION OF CONFIDENTIAL MINUTES**

Minutes of meeting held on 23 February 2021.

(Page 1 of Confidential Committee Circular No.20 of 2021)

90. **PROGRESS REPORT ON THE FORENSIC INVESTIGATION ON MR CLIVE LOTZ (REF:10.4.1)**

Report dated 23 March 2021 by the City Manager.

(Page 15 of Confidential Committee Circular No. 20 of 2021)

91. **FORENSIC INVESTIGATION INTO ALLEGATIONS OF THEFT OF MSUNDUZI ASSET: BELL TRACTOR LOADER BACKHOE NPC 862: COMMUNITY SERVICES: PARKS AND RECREATION AND CEMETERIES (REF: 3.10.1.1)**

Report dated 16 February 2021 by the Chief Audit Executive (Ref:FI 12-2019/20).

(Page 84 of Confidential Committee Circular No. 20 of 2021)

92. **FORENSIC INVESTIGATION INTO ALLEGED MISCONDUCT: FRAUD BY MR SC MAKHAYE (EMPLOYEE NUMBER: 1005720)(REF:3.10.1.1)**

Report dated 26 February 2021 by the Chief Audit Executive (Ref:FI-13/2020-21).

(Page 112 of Confidential Committee Circular No. 20 of 2021)

	<p>93. <u>FORENSIC INVESTIGATION INTO ALLEGATION OF FRAUDULENT PAYMENTS FROM MSUNDUZI MUNICIPAL PAYROLL INTO PERSONAL BANK ACCOUNTS BY MSUNDUZI MUNICIPAL EMPLOYEE AC MKHIZE (REF:3.10.1.1)</u></p> <p>Report dated 26 March 2021 by the Chief Audit Executive (Ref:FI 31-2019/20).</p> <p>(Page 138 of Confidential Committee Circular No. 20 of 2021)</p> <p>94. <u>ADVERTISING OF AUDIT COMMITTEE CHAIRPERSON POST</u></p> <p>(Raised verbally)</p> <div style="border: 1px solid black; padding: 5px; margin-top: 10px;"> <p>NOTE BY SENIOR MANAGER: SECRETARIAT & AUXILLIARY SERVICES: Due to the strict confidentiality of this item, an extract of the minutes under this item has been given to the Audit Committee members ONLY and a copy filed in the official CONFIDENTIAL records.</p> </div>
<p>18 May 2021</p>	<p>95. <u>AUDIT COMMITTEE DECISION TRACKER 2020/2021</u></p> <p>(Item 7 on the agenda)</p> <p>It was noted that a high level report on the Audit Committee Decision Tracker was presented as part of the Quarter 3 Consolidated Audit Committee at the meeting held on 20 April 2021. The Committee was advised that the first update on the Tracker would be presented to the Audit Committee on 22 June 2021.</p> <p>NOTED.</p> <p>96. <u>REPORTS REQUESTED BY THE AUDIT COMMITTEE FROM THE CITY MANAGER</u></p> <p>Internal minute dated 24 February 2021 by the Chairperson-acting-in-the-Chair.</p> <p>(Page 11 of the agenda)</p> <p>The Chairperson indicated that some of the reports requested by the Audit Committee at its meeting held on 23 February 2021 remained outstanding despite officials having sufficient time to submit.</p> <p>It was</p> <p style="text-align: center;">AGREED</p> <p>That the internal minute dated 24 February 2021 by the Acting Chairperson of the Audit Committee requesting specific reports from the City Manager, which was circulated previously to Management be noted.</p> <p>97. <u>EXHORBITANT OVERTIME BY ALL GENERAL MANAGERS</u></p> <p>(i) Report dated 23 March 2021 by the General Manager: Sustainable Development and City Enterprises.</p> <p>(Page 14 of agenda)</p> <p>(ii) Report dated 1 April 2021 by the General Manager: Community Services.</p> <p>(Page 17 of agenda)</p> <p>The Chairperson pointed out that reports requested by the Audit Committee over-and-above the standing agenda items must be submitted directly to the Audit Committee and that such reports did not necessarily</p>

need to go through the Strategic Management Committee first i.e. the Strategic Management Committee should not be the reason that reports were delayed and not received by the Audit Committee timeously.

The City Manager preferred that when the Audit Committee requested specific reports, such reports were to follow a process through which the Office of the City Manager had to ensure consistency.

Management was urged to plan their internal processes to ensure that the timely submission of reports to the Audit Committee was adhered to.

The Audit Committee stressed that ALL outstanding reports were expected at the next meeting and that failure to do so would result in the respective General Manager being held responsible for not complying with the requests of the Audit Committee. The Management Team was informed that such non-submission thereof, was being tracked by the Mayor and would be reported at Council at the time the Chairperson of the Audit Committee presented the Audit Committee report.

The Committee emphasized that the reports were crucial in the assisting the Audit Committee in performing its legislative functions effectively.

The Chairperson advised that the **General Managers must provide feedback on overtime**, as the Forensic Investigations spoke to numerous reports on financial misconduct, abuse of overtime and fraudulent overtime; amongst other matters of misconduct which were an ongoing occurrence within Msunduzi Municipality. The Audit Committee highlighted that such reports were common within the service delivery driven business units such; Parks, Cemeteries, Fleet, Waste Management, Finance and Infrastructure.

Clarity was sought on how General Managers were ensuring that the overtime that they were processing were genuine overtime, and not fraudulent / abusive or excessive use of overtime.

It was indicated that the reports on overtime submitted by the General Managers for Sustainable Development and Community Services were unclear, with these reports failing to highlight the root causes and equating the reasons and amounts for the overtime.

The City Manager reported that overtime expenditure had drastically reduced. He advised that the intention was to migrate to the shift system. He confirmed that reports from the General Managers were not forthcoming, and advised that some reports were received but were sent back to the respective General Managers for more information.

The City Manager advised the Committee that such over expenditure also raised concern over the procurement of personal protective equipment together with tools of trade and contract services within Council.

The City Manager was requested to ensure that all reports for the Audit Committee were coordinated through his office for central co-ordination.

Members of the Audit Committee reiterated that reports requested by the Committee must be submitted in a coordinated manner to allow for the Committee to deliberate on the issue collectively.

It was

AGREED

- (a) That the Office of the City Manager submit a consolidated report on overtime generated for Quarter 3 (January 2021 to March 2021) and Quarter 4 (April 2021 to May 2021) for all Business Units to collectively include the following points requested by the Audit Committee at its meeting held on 23 February 2021.

- Progress on the Measures implemented to Curb Overtime,
- Outlining of the Processes for the vetting, verification and approval overtime,
- Detailed submissions by each General Manager on overtime for Quarter 3 (January 2021 to March 2021) including Quarter 4 (April 2021 and May 2021);
- What measures each General Manager was applying within their respective business units to ensure that overtime for the relevant month was paid in accordance with the legislation and Council policies and procedures,
- What measures each General Manager was implementing to curb the abuse of overtime, as well as fraudulent overtime and excessive overtime.
- And what measures each General Manager was implementing to reduce overtime.

(b) That the report on overtime referred to in (a) above must **include Business Units that did not generate high overtime**, and that such Business Units must outline the measures that were applied to keep overtime generation low.

(c) That the Audit Committee acknowledged the submission of the two reports on Overtime dated 23 March 2021 by the General Manager: Sustainable Development and City Entities and the report dated 1 April 2021 by the General Manager: Community Services, and concurred that these 2 reports be revised accordingly for the consolidated report on overtime.

98. **PROGRESS REPORT ON THE IMPLEMENTATION OF THE SHIFT SYSTEM**

(Item 10 on agenda)

In the absence of a report, it was

AGREED

That consideration of the **Progress report from the City Manager on the Implementation of the Shift System** be DEFERRED to the Audit Committee meeting on 22 June 2021.

99. **PROGRESS REPORT ON THE APPOINTMENT OF A SERVICER PROVIDER FOR STABILIZATION OF THE ICT NETWORK**

(Item 11 on agenda)

The Senior Manager: ICT apologized to the Committee for the non-submission of the progress report. He advised the Committee of the difficulty with using the National Transversal Contract to appoint a service provider. In this instance, the successful service provider would have had a few months remaining on the contract until the contract would end. Therefore, it was concurred that this process was not be in the best interest of Council.

In view of this, the General Manager: Corporate Services requested that the Title of the item be amended to read as follows: *“Progress report on the Appointment of a Service Provider for the Stabilization of the ICT Network”*.

In response to a query, the Senior Manager: ICT notified the Committee that the process for the appointment of a new service provider had commenced.

The Senior Manager: ICT was requested to ensure that the **specifications for the new contract included effective and efficient network coverage for the entire Msunduzi municipal jurisdiction.**

It was

AGREED

That the Senior Manager: ICT ensures that a progress report on the **Appointment of a Service Provider for the Stabilization of the ICT Network** is reported on as part of the Quarterly Consolidated Audit Committee report at its next meeting on 22 June 2021.

100. **PROGRESS REPORT ON CASH FLOW MANAGEMENT: CASH FLOW REPORT AND INVESTMENT REGISTER AS AT END OF MARCH 2021**

Report dated 6 April 2021 by the Senior Manager: Financial Governance and Performance Management.

(Page 21 of the agenda)

The Senior Manager: Financial Governance and Performance Management reported that Cash Flow Management was prepared on a weekly basis. He advised that the collection rate fluctuated every month. He notified the Committee that the Business Unit had various interventions in place to improve the revenue. He also reported that the cash flow projection for the next six months were derived from historic projections. He reported that the **cash flow was in a deficit**, and that the finances of the Municipality were not in a good state. He stated that the Municipality would be able to move out of its deficit state once the revenue collection rate had improved.

Members of the Audit Committee pointed out that the matter of revenue collection required a new approach. It was stressed that the proposed tariff increases were being challenged. In addition to this, there were numerous complaints from paying consumers who felt that the Covid-Amnesty was unfair to paying consumers.

There was concern over the quality and accuracy of the Debtors Book. Furthermore, the Committee was of the view that politicians needed to share the responsibility of community by-in and education at ward level to improve revenue collection.

The City Manager was urged to ensure that the collection of municipal debt from staff and councillors were enforced.

Members of the Audit Committee concurred that a collective approach in improving revenue collection was required. For this to take place, Management was urged to **ensure that the SAP Billing System was accurate**, and that there were various processes were implemented place to collect all municipal debt.

It was

AGREED

- (a) That the **Cash Flow and Investment Register** as outlined in the report dated 6 April 2021 by the Senior Manager: Financial Governance and Performance Management be NOTED with concern by the Audit Committee.
- (b) That the Chief Financial Officer submit a detailed report for **Quarter 3 (January 2021 to March 2021) and Quarter 4 (April 2021 and May 2021) on the Debtors Age Analysis summarized into the total consumption for households, business and government debtors per ward for all wards within the Msunduzi Municipality** for the next meeting of the Audit Committee, together with the same information detailed on the outstanding debtors of approximately R 4 billion; with the report highlighting the each ward name.
- (c) That the Audit Committee monitors **Cash Flow Management and Expenditure Management to curb unnecessary spending as part of the Committee's 2021/2022 priority areas**.

101. **PAYMENT OF CREDITORS: PROPOSED PAYMENT PLAN (REF: 3.7.1(2020/2021))**

Report dated 2 March 2021 by the Senior Manager: Expenditure.

(Page 25 of the agenda)

The Audit Committee expressed concern that there was a large variation between the Cash Flow Management Report as at the end of March 2021 in relation to the Proposed Payment Plan for Creditors detailed in the report dated 2 March 2021 by the Senior Manager: Expenditure.

Noting the 4-week time difference between the two reports, the Business Unit was requested to ensure that the **Cash Flow Management Report and the Creditors Management Report for Quarter 4 were realistic and were correctly reconcilable.**

It was

AGREED

- (a) That the **Proposed Payment Plan for the Next 6 Months** as outlined in the report dated 2 March 2021 by the Senior Manager: Expenditure, be NOTED.
- (b) That the Chief Financial Officer ensures that the **Cash Flow Management Report and the Creditors Management Report for Quarter 4 were realistic and reconciled** accordingly.

102. **PROGRESS ON ADDRESSING POOR ATTENDANCE AT THE ICT STEERING COMMITTEE (REF:9.4.1)**

Report dated 15 April 2021 by the City Manager.

(Page 30 of the agenda)

It was

AGREED

- (a) That it be noted that the members of the Strategic Management Committee (SMC) constitute the membership of the ICT Steering Committee.
- (b) That it be noted that the meetings of the ICT Steering Committee will be scheduled to take place on a quarterly basis on the same day as the scheduled meetings of the Strategic Management Committee (SMC).

103. **PROGRESS ON THE IMPLEMENTATION OF THE SAFE CITY'S NUMBER PLATE RECOGNITION FOR REVENUE ENHANCEMENT**

(Item 15 on the agenda)

It was

AGREED

That the City Manager **ensures that there was structural co-operation between the Public Safety Sub-Unit and the Safe City Entity in terms of implementing the Safe City's Number Plate Recognition for revenue enhancement**, and that a progress report on this matter is included in the next Quarter Consolidated Audit Committee Report.

104. **REVENUE ENHANCEMENT STRATEGY BY PHILA NDI MANDE**

(Item 16 on the agenda)

It was

AGREED

That the item considering the **Revenue Enhancement Strategy Document** by Ndimande Consultants be deferred to the Audit Committee meeting on 22 June 2021.

105. **BILLING REPORT FOR QUARTER 3**

(Item 17 on agenda)

It was noted that the Billing Report for January 2021 and February 2021 was included on the Quarter 3 Consolidated Audit Committee report presented to Committee at its meeting held on 20 April 2021.

NOTED.

106. **FINAL INTERNAL AUDIT REPORT ON THE HIGH LEVEL REVIEW OF THE ANNUAL REPORT FOR THE 2019/2020 FINANCIAL YEAR (REF:3.10.1.1)**

Report dated 12 May 2021 by the Manager: Assurance (Ref: A9-2020/2021).

(Tabled at the meeting)

The City Manager was requested to ensure that the final published report must contain the correct information.

The Audit Committee requested that Management must keep the Committee informed on the outcome of the meeting scheduled with the Auditor General to find a way forward in correcting the Annual Report.

Management was requested to ensure that going forward, **Business Unusual must be planned** and that the accountability for this review to take place together with the Annual Performance Report must be corrected prior to submission to the AGSA for auditing.

It was highlighted that incorrect information published by the Municipality was considered to be financial misconduct.

The Chairperson advised that the meeting to be held with the AGSA and Management would need to review the findings of the Internal Audit Unit, and if there were no material changes to the Annual Report, the AGSA would be able to provide Management with guidance on whether the Audit Process for the 2019/2020 Financial Year would need to be re-opened.

The Manager: Assurance advised that despite Business Unusual experienced during the 2019/2020 Financial Year, the internal process did not change in regard to the submission and completion of Portfolios of Evidence. She stressed that the onus was upon every Senior Manager to play their role in their submissions to the Report.

It was indicated that there was a possibility that the auditing process could be re-opened and that there was a possibility that additional auditing fees would be raised.

It was

**AGREED TO RECOMMEND TO THE
FULL COUNCIL**

That the findings around the **Final Internal Audit Report on the High Level Review of the 2019/2020 Annual report** as contained in the report dated 12 May 2021 by the Manager: Assurance, be NOTED.

107. **DATE FOR AUDIT COMMITTEE STRATEGIC SESSION WITH THE STRATEGIC MANAGEMENT COMMITTEE**

(Item 19 of the agenda)

The Chairperson indicated that a date for the Audit Committee Strategic Session must be secured sometime in July 2021 and August 2021 to conduct a 5-hour session with the Strategic Management Committee and the relevant Senior Managers.

NOTED.

108. **FULL STATUS REPORT ON THE 3 YEAR ROLLING PLAN**

(Item 20 on the agenda)

In the absence of a report, it was

AGREED

That the item considering the **Full Status Report on the three-year Internal Audit Rolling Plan** be deferred to the Audit Committee meeting on 22 June 2021.

109. **FINANCIAL RECOVERY PLAN WITH ADJUSTED DATES: PROGRESS REPORT ON THE FINANCIAL RECOVERY PLAN IMPLEMENTATION (REF:3.7.1(20/21))**

Report dated 23 April 2021 by the Chief Financial Officer.

(Page 32 of agenda)

The Chief Financial Officer reported that the Financial Recovery Plan was previously a tool used by the **Operational Management Committee which was meeting for some reason, resulting in a lapse in reporting.**

It was

AGREED

- (a) That the progress report dated 18 March 2021 and 23 April 2021 by the Chief Financial Officer on the **Financial Recovery Plan as at March 2021 and April 2021**; respectively, be NOTED.
- (b) That the Chief Financial Officer submit a further report to the next meeting of the Audit Committee on 22 June 2021 on the progress report of the **Revenue Enhancement Committee.**

110. **REVENUE COLLECTION REPORT FOR THE QUARTER**

(Item 22 on agenda)

It was advised that revenue collection was reported on as part of the Quarter 3 Consolidated Audit Committee report presented to Committee at its last meeting held on 23 April 2021. Further to this report, the outstanding report on Revenue Collection for each ward would be submitted to the next Audit Committee meeting on 22 June 2021.

NOTED.

111. **SPECIFIC REPORT ON CONDITIONAL GRANT: CASH BACKING ON PROJECTS: CONDITIONAL GRANTS STATUS AND MANAGEMENT (REF: 3.4.5)**

Report dated 26 March 2021 by the Senior Manager: Budget Planning, Implementation and Monitoring.

(Page 39 of agenda)

The Business Unit was requested continue submitting its quarterly high level summaries on conditional grants so that the Audit Committee could continue tracking the impact of results of the interventions put in place by this Plan which was initiated and required by National Treasury.

The Committee was advised that reconciliations were prepared on a weekly basis for submission to the National Treasury, for which the Business Unit received many accolades.

The Chief Financial Officer and her team were commended for preparing weekly reconciliations for all Conditional Grants.

It was

AGREED

- (a) That the status update on **Grants Management and Progress on the Implementation**, as detailed in the report dated 26 March 2021 by the Senior Manager: Budget Planning, Implementation and Monitoring be noted.
- (b) That the Chief Financial Officer ensures that copies of the **Conditional Grant Reconciliations** is submitted as an **annexure** to the quarterly submissions for the Audit Committee.

112. **PROGRESS ON THE UNAUTHORIZED, IRREGULAR, FRUITLESS AND WASTEFUL UIFW) EXPENDITURE REDUCTION PLAN FOR COUNCIL APPROVAL (REF: 3.7.1(20/21)**

Report dated 5 April 2021 by Manager: Municipal Public Accounts Committee.

(Page 44 of the agenda)

The Chairperson advised that majority of the fruitless, wasteful and irregular expenditure resulting from overtime the Internal Audit forensic investigations were not reported on.

Management was reminded that the reduction of fruitless and wasteful expenditure was the responsibility of every business unit, and not specially that of the Budget and Treasury Business Unit.

Management was urged to adhere to policies on a daily basis to curb overtime and fruitless and wasteful expenditure.

It was

AGREED

That the report dated 5 April 2021 by the Manager: Municipal Public Accounts Committee considering the **Unauthorized, Irregular, Fruitless and Wasteful Expenditure Plan** be noted.

113. **COPY OF THE DISCIPLINARY BOARD CHARTER (REF: 3.10.1.1)**

Disciplinary Board Charter as at December 2019.

(Page 58 of agenda)

	<p>It was</p> <p style="text-align: center;">AGREED</p> <p>That the Disciplinary Board Charter as at December 2019, be noted.</p> <p>114. <u>PRESENTATION ON THE COVID-19 RELIEF PLAN</u></p> <p>Presentation by the Chief Financial Officer.</p> <p>(Item 26 on agenda)</p> <p>That the presentation by the Chief Financial Officer on the Covid-19 Relief Plan, be noted.</p> <p><u>CONFIDENTIAL: NOT FOR PUBLICATION</u></p> <p>115. <u>PROGRESS REPORT ON THE COLLECTION STATUS: ACCOUNT NUMBER: 03715470 (REF: 3.3.1.2.1)</u></p> <p>Report dated 7 April 2021 by the Manager: Debtors</p> <p>(Item 18 on agenda submitted separately under the Confidential Agenda Link)</p> <div style="border: 1px solid black; padding: 5px; margin: 10px 0;"> <p>NOTE BY SENIOR MANAGER: SECRETARIAT & AUXILLIARY SERVICES: Due to the strict confidentiality of this item, an extract of the minutes under this item has been given to the Audit Committee members ONLY and a copy filed in the official CONFIDENTIAL records.</p> </div>
<p>22 JUNE 2021</p>	<p>116. <u>UPDATE BY THE OFFICE OF THE AUDITOR GENERAL</u></p> <p>(Item 6 on agenda)</p> <p>116.1 The Senior Manager: AGSA reported that the audit had commenced with limited staff. He advised that the Team was not at a stage to share the Engagement Letter and the Audit Strategy.</p> <p>116.2 With regards to the Annual Report for the prior year, the AGSA Team met with Internal Audit, and would be presenting their final assessment on the feedback to the Report.</p> <p>116.3 The Management Team was urged not to publish the Annual Report until such time that the AGSA had perused the Report.</p> <p>5.4 The Acting Audit Committee Chairperson requested a follow-up on PAA matters for the next Audit Committee meeting on 24 August 2021.</p> <p>NOTED.</p> <p>117. <u>REVISION OF THE ANNUAL AUDIT PLAN FOR 2021/2022 (REF: 3.10.1.1)</u></p> <p>Report dated 14 May 2021 by the Chief Audit Executive: Internal Audit Unit.</p> <p>(Page 26 of agenda)</p> <p>The Chairperson indicated that the actual work planned versus that actual work that could be undertaken during 2021 needed to be reported to Council with reasons in detail, together with an indication on whether the work planned for 2022 could be undertaken.</p>

The Audit Committee supported the Revision of the Internal Audit Plan for the 2021/2022 financial year for approval with concerns relating to the **impact on the limitation on the scope and quality of assurance** provided by Internal Audit.

National Treasury Representative (Mr Leslie Holland) sought clarity on the extent that the Internal Audit Plan had been informed by Risk Management, as well as the Municipality's Financial Health and Records Record Management. He queried the Section 66 Audit and suggested that consideration be given to focus Internal Audit Resources in other areas, as Audit was already covered by the AGSA in detail. Clarity was also sought on whether controls around effective Consequence Management, Section 32 for Irregular Expenditure and Financial Misconduct Regulation were also included.

It was

**AGREED TO RECOMMEND TO THE
FULL COUNCIL**

That the **Internal Audit Plan for the 2021/2022 Financial Year** as outlined in the report dated 14 May 2021 by the Chief Audit Executive be approved.

118. **THREE YEAR AUDIT AND ANNUAL AUDIT PLANS FOR 20221/2022 TO THE 2023/2024 FINANCIAL YEARS (REF:3.10.1.1)**

Report dated 14 June 2021 by the Chief Audit Executive (Ref:04-2020/21).

(Circulated as Item 8 on the Audit Committee agenda link)

The Audit Committee approved the report subject to the understanding that this was a live document that would be continually revised for relevance and responsiveness based on risk assessment processes and any other items that would come to the Audit Committee's attention that required an assurance related response.

It was pointed that the Unauthorized, Irregular, Fruitless and Wasteful Expenditure, Financial Misconduct and Fraud was not included in the report. In addition, it was noted that SAP was not included due to the Internal Audit Unit not having an expert in SAP.

Clarity was sought on how the financial health of the Municipality would be addressed.

It was emphasized that Revenue must be prioritized as a risk response in providing relevant information to Council which would be conducted at a time that was going to have impact taking into account when the AGSA would also be busy at the Budget and Treasury Business Unit taking into consideration:-

- Billing (meters and billing accuracy)
- Collections
- Disconnections and reconnections
- Indigent management.

National Treasury Representative (Mr Leslie Holland) sought clarity if the resources within Internal Audit were sufficient and if not, what was the Municipality's plan to ensure that there are sufficient resources. Clarity was also sought on the Co-sourcing arrangement within Internal Audit and to what extent were the current existing arrangements cost-effective of using the panel versus employing more staff within the Internal Audit Unit.

It was

**AGREED TO RECOMMEND TO THE
FULL COUNCIL**

That the **Three year Internal Audit Rolling Plan and Annual Audit Plans for the 2021/2022 to 2023/2024 Financial Years** be approved.

119. **AUDIT COMMITTEE WORK PLAN AND CALENDAR OF ACTIVITIES ENDING AS AT 30 JUNE 2022 (REF:3.10.1.1)**

Report dated 9 June 2021 by the Chief Audit Executive (Ref:03 2020/21).

(Circulated as Item 9 on the Audit Committee agenda link)

The Committee requested that the report be amended to include revised dates for the Review of the Financial Statements, together with the Internal Audit Report on the Annual Financial Statements to Internal Audit by the end of July 2021 and for submission to the Audit Committee by 15 August 2021.

It was also requested that the Audit Committee Work Plan must include the Annual Review of Charter, Effectiveness of the Audit Committee and the Effectiveness of the Internal Audit Unit.

It was

AGREED

That the Annual Audit Committee Plan and Calendar of Activities for the 2021/2022 Financial Year be revised and resubmitted for consideration at the next meeting of the Audit Committee.

120. **QUARTER 4 CONSOLIDATED AUDIT COMMITTEE REPORT (APRIL 2021 TO MAY 2021)(REF:3.10.1.1)**

Report dated 14 June 2021 by the City Manager.

(Circulated as Item 10 on the Audit Committee agenda link)

9.1 Tracking of IA findings

9.1.1 The Audit Committee queried the Management effort that was being put into the weekly Strategic Management meetings to drive the resolutions of Tracking Tool for the Internal Audit Findings for the 2019/2020 Financial Year other than just noting them.

9.2.1 Audit Committee Decision Tracker

9.2.1 The Audit Committee noted with concern the **lack of inputs by certain General Managers** on the Audit Committee Decision Tracker.

9.3 Financial Recovery Plan

9.3.1 The Budget and Treasury Business Unit indicated that they were not receiving co-operation in receiving information on the strategy action items from the other Business Unit's. The Business Unit was urged to get the basics right in light of the current financial situation of the Municipality. Emphasis was placed upon the **filling of the post for Manager: Internal Control** as highlighted by the AGSA.

9.4 Revenue Collection

9.4.1 The Audit Committee noted that the Office of the Chief Financial Officer was finalizing a closed tender that would **analyze all outstanding debtors' balances**, which would determine debtors that should have been collected/disconnected and have not been disconnected, and how this would be corrected. In addition to this, it was noted that the Chief Financial Officer had requested specific investigations by Internal Audit on **rates and on billing accuracy**.

- 9.4.2 The schedule on **outstanding debt per ward was noted**. The Committee queried the **outstanding debt for Ward 0: Vulindlela : Ingonyama land** which was **currently billed at a flat rate**, that had a co-inherited bill of R40 million from Umgeni Water which was now sitting on the **highest outstanding debt** amount of **R 579 230 994 million**.
- 9.4.3 Clarity was sort on whether there was a **deadline for the improvement of the financial situation of the Municipality** and the **collection of outstanding debt**, and what the Business Unit was working towards to ensure that this deadline would be achieved.
- 9.4.4 Concerns raised by the Audit Committee and National Treasury on the **Chief Financial Officer not trusting staff on revenue and billing** were noted. Clarity was sought on how this was being addressed in terms of fraud, corruption and the relevant disciplinary processes.
- 9.4.5 The Audit Committee sought regular updates on the **project for the unpacking of the debtors balance**.
- 9.4.6 After a robust and very transparent discussion regarding the outstanding **debtors balance** and the **current status of internal controls in revenue, billing and collections**, and in particular the Chief Financial Officer's concerns relating to the deliberate circumvention of internal controls within the Section, the Audit Committee noted with concern the small improvements being made in Revenue, but that they were **insufficient in making any difference to this critical financial viability issue**, and that **extreme measures were required from the Finance Unit, from the Municipal Manager's Office and from Council**.

9.5 Section 66: Expenditure on Staff Benefits: Overtime

9.5.1 The Audit Committee queried the **discrepancy on the Section 66 Report**, and pointed out that someone applied their minds to this item and specifically documented that there was an **over-expenditure**. The Committee therefore sought clarity on how the generator and the reviewer of this report both got this report wrong. The Committee expressed their concern over the **lack of a quality review of the Section 66 report** which was submitted in this incorrect manner to various structures that placed reliance on the report; as well as to National Treasury. The Audit Committee advised that there was a non-compliance as no Section 66 Report had been received since March 2021. The Chief Financial Officer was requested to investigate and take appropriate action in this regard and to ensure that this was rectified and that the outstanding Section 66 reports were submitted to the next meeting to allow for the Audit Committee to consider the report on Overtime which was stood down as a result thereof.

9.6 Conditional Grants

9.6.1 In addressing concerns of the Committee that there were rumors that Conditional Grant funds were being used to pay other municipal expenditure, the Chief Financial gave the Committee an assurance that Conditional Grant funds were not used any other purposes.

9.10 Request to include Environmental Scanning to the Audit Committee Report

The Audit Committee requested that a **new sub-section** be included on the consolidated report to cover **Environmental Scanning** which would assist the Municipality in **monitoring the environment to improve on internal and external risk management and to detect potential threats** which would assist in its **strategic decision making processes and future planning**. Management was requested to ensure that this item covered all matters raised in the local press and to provide the Audit Committee with feedback on the **relevant actions taken by Management**. While the Audit Committee acknowledged that not all items appearing in the media necessarily represent instances where action needed to be taken or where action has not been taken, the **Committee required an analysis of media articles** that categorized matters into those which are significant and those which are not (and why), and where these were significant, what the municipality's response was to these items.

It was

AGREED

That the **Quarter 4 Consolidated Audit Committee Report (April 2021 to May 2021)** as outlined in the report dated 14 June 2021 by the City Manager be NOTED.

121. **REPORT BY THE CITY MANAGER ON EXHORBITANT OVERTIME FOR QUARTER 3 AND QUARTER 4: FOR ALL BUSINESS UNITS**

Report dated 17 June 2021 by the City Manager.

(Circulated separately as Item 11 on the Audit Committee Link)

As a result of the discrepancy on the Section 66 Report in regard to over-expenditure in item 9 above, the Committee

AGREED

That the report dated 17 June 2021 by the City Manager on Exorbitant Overtime for Quarter 3 and Quarter 4 for all business units be DEFERRED to the next meeting of the Audit Committee.

122. **AUDIT COMMITTEE DECISION TRACKER**

(A high level summary of the Audit Committee Decision Tracker has been incorporated under Item 4.2 and Annexure B of Item 10 above).

See Page 36 Computer Page 41 and the separate annexure B under the zipped folder for Item 10 on the agenda link.

NOTED.

123. **RISK MANAGEMENT IMPLEMENTATION PLAN FOR 21/22 FINANCIAL YEAR (REF: 3.10.1.1)**

Report dated 20 May 2021 by the Chief Risk Officer.

(Page 114 of agenda)

The Committee sought clarity on the reporting component of the Risk Management Process.

In regard to Combined Assurance, the Committee sought clarity on how and where would the Committee get an assurance that the risks would be managed as planned.

The Chief Risk Officer was requested to include reporting on timeframes and whether the targets have been achieved. Furthermore, the report must indicate whether management implemented the respective Risk Management Strategies and whether these have been effective in mitigating the risks.

It was therefore

AGREED

That the **Risk Management Plan for the 2021/2022 Financial Year** as outlined in the report dated 20 May 2021 by the Chief Risk Officer be revised and resubmitted to the next meeting of the Audit Committee to include the Risk Management Process, Combined Assurance that the identified risks would be managed, together with timeframes for targets to be achieved with an indication whether the Risk Management Strategies had been effective in mitigating risks.

124. **RISK MANAGEMENT REPORT ON MUNICIPAL FRAUD AND CORRUPTION RISKS (REF: 3.10.1.1)**

Report dated 9 June 2021 by the Chief Risk Officer.

(Page 118 of agenda)

The Audit Committee notes and supports the risk management process and that the municipality continues to take ownership of the development of the risk register and manages risk as an ongoing process.

It was

**AGREED TO RECOMMEND TO THE
FULL COUNCIL**

- (a) That the Fraud and Corruption Risk Register be considered for adequacy, approval and adoption.
- (b) That all Msunduzi Municipality Assurance Provides prioritize areas where fraud and corruption risk is high and prevalent in their plans.
- (c) That the Risk Management Committee, Audit Committee and Council play their oversight role on fraud and corruption risks.

125. **REVENUE ENHANCEMENT STRATEGY BY PHILA NDI MANDE: FINANCIAL RECOVERY PLAN AS A ROAD MAP FOR ADEQUATE SERVICE DELIVERY AND FINANCIAL SUSTAINABILITY OF THE MSUNDUZI MUNICIPALITY (REF: 3.7.P)**

(Item 15 on the agenda)

This report was incorporated under **Annexure D2** of **Item 10** above.

NOTED.

126. **DATE FOR AUDIT COMMITTEE STRATEGIC SESSION WITH THE STRATEGIC MANAGEMENT COMMITTEE**

(Item 16 on agenda)

It was

AGREED

That the **Audit Committee Strategic Session** be held on **Tuesday, 20 July 2021** at **09:00** via **Microsoft Teams**, attendance by All General Managers and Senior Managers are compulsory.

127. **QUARTER 3 AND QUARTER 4 REPORT FOR REVENUE COLLECTION PER WARD IN TERMS OF COLLECTIONS FOR BUSINESS, DOMESTIC AND GOVERNMENT (REF:3.10.1.1)**

(Item 17 on agenda)

It was noted that the high level summary had been incorporated under Item 4.5 and 4.6 of **Item 10** above, and Annexures on E, F1 and F2).

NOTED.

128. **REPORT ON THE TRACKING OF ALL HISTORICAL UNAUTHORISED, IRREGULAR, FRUITLESS AND WASTEFUL EXPENDITURE (UIFW)(REF:.....)**

Report by Manager: MPAC (No report was available at the time of finalising the agenda).

(Item 18 on agenda)

In the absence of a report, it was

AGREED

That the item considering the **Tracking of all Historical Unauthorised, Irregular, Fruitless and Wasteful Expenditure** be DEFERRED to the next meeting of the Audit Committee.

129. **THE MAYOR'S REQUEST FOR THE AUDIT COMMITTEE REPORTS TO FULL COUNCIL TO BE TRACKED**

(Item 19 on agenda)

It was noted that the Mayor had requested that Audit Committee reports to Full Council must be tracked for implementation. In consideration of this, General Managers were urged to close out all matters reflected on the Audit Committee Decision Tracker.

NOTED.

130. **OUTSTANDING REPORTS FOR THE FORESTRY AND QUARRY: REASONS WHY THIS REPORT HAS NOT BEEN SUBMITTED TO THE AUDIT COMMITTEE : (i) PROGRESS REPORT ON THE INTERNAL AUDIT FINDINGS FOR THE FORESTRY (REF: 24.2.3)**

Report dated 15 June 2021 by the Senior Manager: City Entities (Acting).

(Item 20 of agenda)

It was

**AGREED TO RECOMMEND TO THE
FULL COUNCIL**

That the progress report on the implementation of the Internal Audit Findings on the **Forestry** be noted.

131. **EVALUATION OF THE NEW CONSOLIDATED AUDIT COMMITTEE REPORT TEMPLATE**

(Item 21 of agenda)

Due to time constraints, it was

AGREED

That consideration of the Evaluation of the new consolidated Audit Committee Report Template be DEFFERED to the next meeting of the Audit Committee on **24 August 2021**.

132. **OUSTANDING MATTERS REPORT**

Report dated 1 April 2021 by General Manager: Corporate Services.

(Page 1 of agenda)

It was

AGREED

That the **Outstanding Matters Report** dated **2 June 2021** by the General Manager: Corporate Services be noted subject to the removal of the following items:-

- Item 6: Month End Discipline: In City Manager's Report,
- Item 18: 3 Year Audit Rolling Plan,
- Item 23: City Manager's Report,
- Item 24(b): Risk Management Strategy 20/21 Financial Year,
- Item 29: Cash Flow Report and Investment Register: in City Manager's Report,
- Item 32: Adjusted dates on Financial Recovery Plan: in City Manager's Report,
- Item 33: Cashbacking on Conditional Grants: in City Manager's Report.

133. **OUTSTANDING ITEM 3: ILLEGAL OCCUPANTS AT ALOE RIDGE MUNICIPAL RENTAL HOUSING**

Report dated 15 June 2021 by the Senior Manager: Human Settlements (Acting).

(Page 158 of agenda)

It was

**AGREED TO RECOMMEND TO THE
FULL COUNCIL**

That the report dated 15 June 2021 by the Senior Manager: Human Settlements on the **Illegal Occupants at the Aloe Ridge Municipal Rental Housing**, be noted.

134. **OUTSTANDING ITEM 11 (F) AND ITEM 12: PROGRESS REPORT ON THE ANNUAL SUPPLIES CONTRACT FOR MOTOR VEHICLE SERVICE KIT SPARES (REF:2.8.2.1)**

Report dated 23 May 2021 by Manager: Logistics and Materials (Ref:2021).

(Page 199 of agenda)

It was

AGREED

That the report dated 23 May 2021 by the Manager: Logistic and Materials (Ref:2021) considering the update on the **Annual Supplies Contract for Motor Vehicle Service Kit Spares**, be noted.

135. **OUTSTANDING ITEM 25: FLEET MANAGEMENT ASSETS FOR DISPOSAL: FLEET ITEMS FOUND TO BE STATIONARY AND BEYOND ECONOMIC REPAIR (REF:R11852)**

Report dated 28 May 2021 by the Senior Manager: Assets Management (Acting).

(Page 202 of agenda)

It was

**AGREED TO RECOMMEND TO THE
FULL COUNCIL**

That the Office of the City Manager ensures the following:-

- (i) The General Managers take responsibility and accountability for vehicles allocated to them by reporting accidents, booking the vehicles to the workshops for repairs and / or communicate with Fleet Management for the disposal of redundant vehicles to be approved by the City Manager and

vetted by Internal Audit prior to submission to the Municipal Assets Disposal Committee.

- (ii) The vehicles identified by the General Managers as redundant must be placed on the next auction as approved by the City Manager and vetted by Internal Audit prior to submission to the Municipal Assets Disposal Committee.
- (iii) That the General Managers transfer vehicles that they are no longer using to Fleet Management to allocate to business units that have shortages once costed and repaired by the Mechanical Workshop in line with the Fleet Management Policy.
- (iv) That if it is possible to make use of the National Treasury Tender RT57 for the procurement of vehicles and plant, the City Manager should give due consideration, on condition that such tender process does not create any anticipated delays as was the case with the Stabilization of the ICT Tender.
- (v) That funding for the purchase of vehicles and plant is prioritized and committed accordingly.

136. **OUTSTANDING ITEM 10: PROGRESS ON CENTRALIZATION OF ESKOM INVOICES (REF: 3.7.1(20/21))**

Report dated 14 June 2021 by the Senior Manager: Expenditure.

(Circulated separately as Outstanding Item 10 on the Audit Committee agenda link)

It was

AGREED

- (a) That the City Manager ensures that the management of receiving Eskom Invoices be centralized to the respective General Managers.
- (b) That the City Manager ensures that the General Managers delegate responsible officials that will be responsible to receive Eskom Invoices and to ensure that these invoices are processed timeously.

137. **CONFIRMATION OF CONFIDENTIAL MINUTES**

- (i) Meeting held on 20 April 2021.

(Page 1 of Confidential Circular No. 28 of 2021)

It was

AGREED

That the confidential minutes of the Audit Committee meeting held on **20 April 2021**, be confirmed.

- (ii) Meeting held on 18 May 2021

(Page 10 of Confidential Circular No. 28 of 2021)

It was

AGREED

That the confidential minutes of the Audit Committee meeting held on **18 May 2021**, be confirmed.

138. **HIGH COURT RULING: POOR MANAGEMENT OF THE NEW ENGLAND ROAD LANDFILL SITE**

(Raised verbally)

The City Manager reported that the High Court Ruling on the New England Road Landfill Site was being studied. He assured the Committee that the General Manager: Community Services and the Senior Manager: Waste Management had commenced with the implementation of some of the findings of the ETIA and were reporting to the High Court on a monthly basis. Council needs to allocate sufficient budget for the Landfill Site. The South African Police Services were approached to assist with the investigations into the allegations against certain staff members. However, there were challenges within the SAPS with regards to capacity to assist.

The City Manager undertook to provide the Committee with an update at its next meeting.

NOTED.

139. **COST-CUTTING MEASURES AND THE IMPLICATION AND IMPACT THEREOF FOR FUTURE AUDIT COMMITTEE MEETINGS**

(Item 28 on agenda)

The City Manager advised that the Audit Committee must not exceed the budgetary provisions committed for the Audit Committee meetings.

Audit Committee members concurred with the City Manager but sought clarity on the need to convene meetings outside of this provision which was beyond control; such as in instances whereby the agenda could not be concluded, or when the meeting had to be postponed due to reports not being forthcoming; which the Committee indicated that this would be a cost for the municipality that would be deemed as fruitless and wasteful expenditure.

The City Manager reported that he was awaiting a report on the finances confirming the budget for Audit Committee meetings.

NOTED.

140. **REQUEST WHEN THE AUDIT COMMITTEE WOULD BE CONSIDERING THE RECONCILIATION OF THE 3 YEAR ROLLING AUDIT PLAN**

(Item 29 on agenda)

Due to time constraints of the current meeting, it

AGREED

That the item considering the Reconciliation of the Three Year Rolling Audit Plan be DEFERRED to the next Audit Committee meeting.

141. **THE MUNICIPALITY'S CONSIDERATION OF, AND ACTION PLAN COMING FROM, THE SANBI AUDIT OF THE MSUNDUZI MUNICIPAL PLANTATIONS AGAINST THE SUSTAINABLE AFRICAN FORESTRY ASSURANCE SCHEME (SAFAS) FOREST MANAGEMENT STANDARD (REF: 3.10.1.1)**

(Item 30 on agenda)

In response to a query regarding the SANBI Audit of the Msunduzi Municipality Plantations, the City Manager reported that he was not aware of the report being queried by the Committee.

Audit Committee Member (Mr Leo Quayle) also raised concerns relating to the plantations and the fire risk of the dry winter season. The City Manager was requested to ensure that fire breaks were conducted as a matter of priority to limit the City to possible danger of runaway fires that would result in the damage of property.

The Acting Audit Committee Chairperson undertook to circulate a copy of the SANBI Audit to the City Manager as a matter of urgency.

The City Manager informed the Committee that the General Manager: Sustainable Development was working on a Plantation Programme, with the business unit ready to put out a tender for the management of the plantation. He reported that there was a security service provider in place. However, that service provider would need to be removed.

NOTED.

142. **THE PROCESS FOLLOWED TO ENSURE THE LEGALITY OF THE TENDER PUBLISHED FOR THE PROPOSAL: CALL FOR LONG TERM LOAN TO FUND THE MSUNDUZI MUNICIPALITY'S CAPITAL EXPENDITURE FOR THE 2021/2022 FINANCIAL YEAR**

(Item 31 on agenda)

The City Manager advised the Committee that the bid for the proposal call for a long term loan to fund Council's Capital Expenditure Budget for the 2021/2022 Financial Year was approved in principal. He notified the Committee that the bid closed during the previous week and that the evaluation and adjudication processes would follow. He informed the Committee that National Treasury was in the process of determining whether Msunduzi Municipality qualified for the loan.

The City Manager was urged to ensure that all public participation and public disclosure processes were adhered to and was cautioned to do so before the matter was reported in the local press.

NOTED.

143. **PROGRESS REPORT ON THE FORENSIC INVESTIGATION ON MR CLIVE LOTZ (REF:10.4.1)**

Report dated 23 March 2021 by the City Manager (Ref:1).

(Page of 12 Confidential Circular No.28 of 2021)

(This report was stood down at the Audit Committee meeting held on 20 April 2021).

It was

**AGREED TO RECOMMEND TO THE
FULL COUNCIL**

That the report dated 23 March 2021 by the Chief Audit Executive o provide the Msunduzi Full Council with a **progress update on the forensic investigation into the irregular appointment** of Mr Clive Lotz as the Manager in the Office of the Speaker and Chief Whip, be noted.

144. **FORENSIC INVESTIGATION INTO ALLEGATIONS OF MUNICIPAL VEHICLE ABUSE AND ABSENTEEISM DURING WORKING HOURS ON PRIVATE TRIPS : MR JP VILAKAZI: EMPLOYEE NUMBER (REF:3.10.1.1)**

Report dated 31 March 2021 by the Chief Audit Executive.

(Page of 82 Confidential Circular No.28 of 2021)

The Audit Committee was informed that the internal disciplinary hearing relating to the allegations emanating from this forensic investigation has already been held and finalised and that the Presiding Officer determined that Mr RP Vilakazi (Employee Number: 5504450) was found not guilty in relation to three of the four allegations emanating from this forensic investigation into permanent absenteeism and related charges involving **Mr RP Vilakazi (Employee Number: 5504450)**.

The Audit Committee and those members of Internal Audit and Management present had a considerable discussion relating to the report, the allegations, the forensic process, the evidence and the related financial misconduct allegations in relation to the apparent outcome of the internal disciplinary hearing.

The Committee weighed in very heavily on the decisions of the presiding officer in the internal disciplinary hearing. Audit Committee members expressed that they were uncomfortable with the outcome of the disciplinary process in the light of the strong evidence presented in the forensic report, and in considering the impact that this outcome, especially if not reasonable, may have on the proper course of financial misconduct proceedings required by the MFMA.

The request of the Audit Committee does not extend to considerations relevant to Mr Amoo, Mr RP Vilakazi's supervisor, for which a separate forensic investigation has been tabled, recommendations made and for which processes are being followed.

It was therefore,

AGREED

That the City Manager obtain an urgent internal Legal Opinion on the matter by Council's internal Legal Advisor on whether the decision by the Presiding Officer in the internal disciplinary hearing, specifically as it pertains to the not guilty verdicts relevant to all allegations brought against Mr RP Vilakazi in this forensic investigation and that fell into the scope of the hearing, can be reviewed or not.

145. **FORENSIC INVESTIGATION INTO ALLEGED IRREGULAR REMOVAL OF PROPERTY NO.23 MARSHAL ROAD, ACCOUNT NO.03721402 FROM A DISCONNECTION LIST ISSUED BY DEBTORS SECTION BY A MUNICIPAL EMPLOYEE: MS NP MDLETSHE EMPLOYEE NUMBER: 1005580 (REF:3.10.1.1)**

Report dated 31 March 2021 by the Manager: Forensic Investigation.

(Page of 113 Confidential Circular No.28 of 2021)

It was

**AGREED TO RECOMMEND TO THE
FULL COUNCIL**

1. That the position of Senior Manager: Revenue be filled by the Municipality in order to ensure segregation of compatible duties.
2. That disciplinary action be instituted against **Ms Mdletshe** within a period of three months in terms of Schedule 2 of the Municipal Systems Act, Act 32 of 2000 (As amended), Code of Conduct for Municipal Staff members read with the Disciplinary Procedure Code Collective Agreement issued by South African Local Government Bargaining Council in that Ms Mdletshe breached the Code of Conduct for breach of:

2.1 **General Conduct:**

- (a) Section 2 (a) in that she did not loyally execute the lawful polices of the municipal council;
- (b) Section 2 (b) in that she did not perform the functions of office in good faith, diligently, honestly and in transparent manner;
- (c) Section 2 (d) in that she did not act in the best interest of the municipality and in such a way that the credibility and integrity of the municipality are not compromised

2.2 Commitment to serving the public interest

- (a) Section 3 (c) in that she did not promote and seek to implement the basic values and principles of public administration described in section 195 (1) of the Constitution, by promoting and maintaining high standard of professional ethics.

2.3 Disciplinary Procedure Code Collective Agreement

- (a) Did not conduct herself with honesty and integrity.
- (b) Committed an act of dishonesty.

2.4 Breach of the Constitution of the Republic of South Africa

There is sufficient evidence to support disciplinary action against **Ms Mdletshe** in that she breached Section 195 (1) of the Constitution of the Republic of South Africa of 1996 which states that public administration must be governed by the democratic values and principles enshrined in the Constitution, including the following principles:

- (a) a high standard of professional ethics must be promoted and maintained.
- (b) efficient, economic and effective use of resources must be promoted. 5
- (c) public administration must be accountable.

2.5 Financial Misconduct

That financial misconduct be instituted against Ms Mdletshe within a period of three months in terms of Schedule 2 of the Municipal Systems Act, Act 32 of 2000 for an act of financial misconduct in terms of Section 171 (3) (a) and (b) for breach of Section 78 of the MFMA in that he failed to carry out the delegated duty and contravened or failed to comply with a condition of the delegated power or duty.

2.6 Disciplinary Board on Financial Misconduct

- (a) Council should refer this report to the Disciplinary Board on Financial Misconduct within seven (7) days from the date of receipt as required by paragraph 5.3.1.6 of Municipal Regulations on Financial Misconduct Procedures and Criminal Proceedings.
- (b) The City Manager should report to the Audit Committee on quarterly basis on the progress on disciplinary proceedings against the named official and other cases reported previously where they were officials implicated in our forensic investigation reports.

2.7 Breach of the Credit Control and Debt Collection Policy

2.7.1 Mdletshe breached Section 9.6 of the Credit Control and Debt Collection Policy 2020-2021 version which stipulates that: An account holder who fails to comply with any payment arrangement of debt may have the electricity credit meter or prepaid meter disconnected/removed, and/or the water service restricted.

2.7.2 Ms Mdletshe breached Clause 10.1 of Credit Control and Debt Collection Policy 2020-2021 version which stipulates that: An existing payment arrangement may be reviewed where circumstances exist that are beyond the control of the debtor and they cannot meet their current arrangement. The review must be authorised by the City Manager or his/her delegated authority

2.7.3 Ms Mdletshe contravene Clause 13.1.3 of Credit Control and Debt Collection Policy which stipulates that: In the event that full payment of the account, including any accumulated arrears and interest, is not received on or before the due date, the electricity supply and the water supply may be disconnected /restricted, unless a formal acknowledgement of debt has been signed by the customer and the necessary payment arrangement for an extension of time has been approved.

146. **FORENSIC INVESTIGATION INTO ALLEGED VARIOUS IRREGULARITIES RELATING TO ACCIDENT REPORTS AND OVERTIME COMMITTED BY FOREMAN: MR JP MOSEYA: PAY NUMBER: 550979: COMMUNITY SERVICES: WASTE MANAGEMENT (REF:3.10.1.1)**

Report dated 29 April 2021 by the Chief Audit Executive.

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Emphasis was placed upon the General Managers continuing to approve abusive and fraudulent overtime claims within the business units, together with the ongoing matters of failure to manage absenteeism. Members concurred that this matter must be addressed at the Audit Committee Strategic Session with the City Manager and the General Managers.

It was thereafter

**AGREED TO RECOMMEND TO THE
FULL COUNCIL**

That disciplinary action be instituted against **Mr J P Moseya** within a period of three months in terms of Schedule 2 of the Municipal Systems Act, Act 32 of 2000 (As amended), Code of Conduct for Municipal Staff members read with Disciplinary Procedure Code Collective Agreement issued by South African Local Government Bargaining Council for breach of:

1.1 General Conduct

1.1.1 Section 2 (a) in that he did not loyally execute the lawful polices of the Municipal Council.

1.1.2 Section 2 (b) in that he did not perform the functions of office in good faith, diligently, honestly and in transparent manner.

1.1.3 Section 2 (d) in that he did not act in the best interest of the municipality and in such a way that the credibility and integrity of the municipality are not compromised.

1.2 Commitment to serving the public interest

1.2.1 Section 3 (c) in that he did not promote and seek to implement the basic values and principles of public administration described in section 195 (1) of the Constitution, by promoting and maintaining high standard of professional ethics.

1.3 Personal gain

1.3.1 Section 4 (1) (a) in that he used his position or privileges for private gain and/or to improperly benefit himself.

1.4 Msunduzi Municipality Fleet Management Policy

1.4.1 Moseya contravened Section 9.1 of the Fleet Management Policy in that he failed to report accident of NPC7631 within the prescribed period.

1.5 Disciplinary Procedure and Code Collective Agreement

1.5.1 Did not conduct himself with honesty and integrity.

1.5.2 **Committed an act of dishonesty.**

1.6 **Breach of the Constitution of the Republic of South Africa**

1.6.1 Section 195 (1) of the Constitution of the Republic of South Africa of 1996 which states that public administration must be governed by the democratic values and principles enshrined in the Constitution, including the following principles:

- (a) high standard of professional ethics must be promoted and maintained.
- (b) efficient, economic and effective use of resources must be promoted.
- (c) public administration must be accountable.

1.7 **Financial Misconduct**

1.7.1 That financial misconduct be instituted against **Mr J P Moseya** within a period of three months in terms of Schedule 2 of the Municipal Systems Act, Act 32 of 2000 for an act of financial misconduct in terms of Section 171 (3) (a) (b) and (c) for breach of Section 78 of the MFMA in that he failed to carry out the delegated duty and contravened or failed to comply with a condition of the delegated power or duty and in doing so deliberately caused the municipality to incur fruitless and wasteful expenditure in respect of the actual hours of overtime that he did not work.

1.8 **The charges are related to the following incidents**

- 1.8.1 Failure to submit Accident Report in respect of NPC 7631.
- 1.8.2 Dereliction of duty in that Moseya did not investigate the accident in respect of NPC 7631.
- 1.8.3 Allowing unauthorised person to drive without valid PrDP NPC 7631. 1.8.4 Failure to report damages to NPC 7631.
- 1.8.5 Dereliction of duty for not attending to expires license and allowing a municipal vehicle NPC 7631 to be used on public roads.
- 1.8.6 Dereliction of duty for not attending to COF and allowing a municipal vehicle NPC 7631 to be used on public roads
- 1.8.7 Failure to submit Accident Report in respect of NPC 4402.
- 1.8.8 Dereliction of duty in that Moseya did not investigate accident in respect of NPC 4402.
- 1.8.9 Issuing an illegal instruction to Fleet to issue a Touch key to S S Zuma to drive NPC 4389.
- 1.8.10 Contravening Section 124 of National Road Traffic Act in allowing a person to drive a municipal vehicle NPC 4389 without a PrDP.
- 1.8.11 Contravening Section 173 of MFMA in respect of damages to automatic gearbox repairs on NPC 4389.
- 1.8.12 Contravening Section 173 of MFMA in respect of inflated overtime claims 8177 and 8178
- 1.8.13 Contravening Section 173 of MFMA in respect of inflated overtime claim 7644 in respect of listed employees.
- 1.8.14 Contravening Section 173 of MFMA in respect of inflated overtime claim 8263 in respect of listed employee.
- 1.8.15 Inflated overtime claimed on Overtime Claims 7664.
- 1.8.16 Dereliction of duty in that Moseya illegal removal of private containers from Landfill
- 1.8.17 Theft emanating from the proceeds of overpayment of overtime claims.

1.9 **Disciplinary Board on Financial Misconduct**

1.9.1 Council should refer this report to the Disciplinary Board on Financial Misconduct within seven (7) days from the date of receipt as required by paragraph 5.3.1.6 of Municipal Regulations on Financial Misconduct Procedures and Criminal Proceedings.

1.9.2 The City Manager should report to the Audit Committee on quarterly basis on the progress on disciplinary proceedings against the named official and other cases reported previously where they were officials implicated in our forensic investigation reports.

1.10 Recovery of the Fruitless and Wasteful Expenditure or Losses

1.10.1 The Accounting Officer should institute recovery processes against Mr Moseya to recover an amount of **R 280 999.54** from him.

1.10.2 The Accounting Officer should submit progress report on the recovery process instituted to the Audit Committee on quarterly basis.

1.10.3 The Accounting Officer must promptly inform the Mayor, the MEC for CoGTA and Auditor General, in writing about **R 280 999.54** which is **fruitless and wasteful expenditure** in terms of Section 32(4)(a) of the MFMA.

1.10.4 The Chief Financial Officer should make the necessary disclosure of the fruitless and wasteful expenditure of **R 280 999.54** in the **annual financial statements of 2020/21 financial year**.

147. FORENSIC INVESTIGATION INTO ALLEGED IRREGULARITIES ON THE SUPPLIES AND SERVICES CONTRACT NO.28 OF 2019: SECTION 1: FOR THE SUPPLY AND DELIVERY OF PROTECTIVE CLOTHING AND SUNDRY ITEMS BY MUNICIPAL EMPLOYEE: SUPPLY CHAIN MANAGEMENT: MS PR MTHALANE: EMPLOYEE NUMBER: 15001700 AND THE BID EVALUATION COMMITTEE: GENERAL (REF: 3.10.1.1)

Report dated 20 April 2021 by the Chief Audit Executive (Ref: FI-22/2020-21).

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The Committee concurred that Msunduzi Municipality was in dire need of an overall organizational behavioural change to drive accountability which must cascade to the managerial function of the respective sub-units.

It was subsequently

**AGREED TO RECOMMEND TO THE
FULL COUNCIL**

It is recommended that disciplinary action be instituted against **Ms P R Mthlane** within a period of three months in terms of Schedule 2 of the Municipal Systems Act, Act 32 of 2000 (as amended), Code of Conduct for Municipal Staff members read with read with Disciplinary Procedure Code Collective Agreement issued by South African Local Government Bargaining Council for breach of:

1.1 General Conduct:

1.1.1 Section 2 (a) in that she did not loyally execute the lawful polices of the municipal council;

1.1.2 Section 2 (b) in that she did not perform the functions of office in good faith, diligently, honestly and in transparent manner;

1.1.3 Section 2 (d) in that she did not act in the best interest of the municipality and in such a way that the credibility and integrity of the municipality are not compromised.

1.2 Commitment to serving the public interest

1.2.1 Section 3 (c) in that she did not promote and seek to implement the basic values and principles of public administration described in section 195 (1) of the Constitution, by promoting and maintaining high standard of professional ethics.

1.3 Breach of the Constitution of the Republic of South Africa

1.3.1 Section 195 (1) of the Constitution of the Republic of South Africa of 1996 which states that public administration must be governed by the

democratic values and principles enshrined in the Constitution, including the following principles:

(a) a high standard of professional ethics must be promoted and maintained.

(b) efficient, economic and effective use of resources must be promoted. (c) public administration must be accountable.

1.4 Financial Misconduct

1.4.1 That financial misconduct be instituted against **Ms P R Mthlane** within a period of three months for an act of financial misconduct in terms of Section 171 (3) (a) (b) and (c) for breach of Section 78 of the MFMA in that he failed to take all reasonable steps within her respective areas of responsibility to ensure that the system of financial management and internal control established for the municipality is carried out diligently and failed to carry out the delegated duty.

1.5 Disciplinary Board on Financial Misconduct

1.5.1 Council should refer this report to the Disciplinary Board on Financial Misconduct within seven (7) days from the date of receipt as required by paragraph 5.3.1.6 of Municipal Regulations on Financial Misconduct Procedures and Criminal Proceedings.

1.5.2 The City Manager should report to the Audit Committee on quarterly basis on the progress on disciplinary proceedings against the named official and other cases reported previously where there were officials implicated in our forensic investigation reports.

1.6 Breach of the Supply Chain Management Policy

1.6.1 **Ms P R Mthlane** breached Clause 21 (f) of the Supply Chain Management Policy and procedure in that she accepted a document submitted by the tenderer after the tender had been closed and she attached the said document as if it was included before the closing time of the tender.

1.6.2 **Ms P R Mthlane** breached Clause 21(g)(i) of the Supply Chain Management Policy in that after accepting the late DTI confirmation letter from Merit Shoes CC she further inserted as part of their bid document and she did not inform BEC that the letter came after the closing time for the tender.

1.7 Disciplinary Procedure Code Collective Agreement

1.7.1 Did not conduct herself with honesty and integrity.

1.7.2 Committed an act of gross dishonesty.

It is recommended that **disciplinary action** be instituted against the following BEC members, namely **M Khumalo** (Senior Manager: Development Services) as a Chairperson; **B Khanyile** (Chief Engineer: Revenue Enhancement); **S Xaba** (Building Inspector, SD & CE- Building Control); **R Gounden** (Manager: Rental Housing); **V Govender** (Supply Chain Management Admin Support); **Z Bomoyi** (Monitoring Officer: Supply Chain Management) that were present on the day of the meeting(s) when this bid was discussed within a period of three months in terms of Schedule 2 of the Municipal Systems Act, Act 32 of 2000 (as amended), Code of Conduct for Municipal Staff members read with read with Disciplinary Procedure Code Collective Agreement issued by South African Local Government Bargaining for breach of the Code of Conduct for municipal staff members as per schedule 2 of the Municipal Systems Act, Act 32 of 2000 (as amended) read with Disciplinary Procedure Code Collective Agreement issued by South African Local Government Bargaining Council, Section 78 and 171 (3) of the MFMA for breach of:
Code of Conduct for Staff

2.1 **General conduct**

- (a) They failed to loyally execute lawful policies of the municipal council;
- (b) They failed to perform the functions of office in good faith, diligently, honestly and in a transparent manner;
- (c) They failed to act in the best interest of the municipality and in such a way that the credibility and integrity of the municipality are not compromised.

2.2 **Commitment to serving the public interest**

- (a) They failed to promote and seek to implement the basic values and principles of public administration described in section 195 (1) of the Constitution.

The Municipal Finance Management Act, Act 56 of 2003

2.3 **Disciplinary Procedure Code Collective Agreement**

- 2.3.1 They did not conduct themselves with honesty and integrity.
- 2.3.2 They were gross negligent.

2.4 **The Supply Chain Management Policy**

2.4.1 The BEC members breached Clause 21 (f) of the Supply Chain Management Policy in that they accepted a DTI confirmation letter from Merit Shoes CC which was submitted by the tenderer after the tender had been closed.

2.4.2 The BEC breached Clause 21 (g)(i) of the Supply Chain Management Policy and procedure in that they failed to apply their minds when evaluating DTI Confirmation Letter of Merit Shoes CC that was submitted later after tender closing time. Merit Shoes CC should have been disqualified for failing to comply with all submission requirements as stated in the tender document.

2.5 **Disciplinary Procedure Code Collective Agreement**

- 2.5.1 Did not conduct themselves with honesty and integrity. 7.2.5.2 Committed an act of gross negligence.

3. **Criminal Investigation and Prosecution**

- 3.1 None.

148. **REPORT ON THE FORENSIC INVESTIGATIONS, CRIMINAL INVESTIGATIONS AND PROSECUTIONS INTO ALLEGATIONS OF FRAUD, CORRUPTION, THEFT, ETC. (REF:3.10.1.1)**

Report dated 21 April 2021 by the Chief Audit Executive.

(Page of 258 Confidential Circular No.28 of 2021)

It was

**AGREED TO RECOMMEND TO THE
FULL COUNCIL**

- 1. That the progress report dated 20 April 2021 by the Chief Audit Executive (Ref:04-2020/2021) considering **Forensic Investigations** conducted by the Unit, **Criminal Investigations** by the South African Police Service and **Prosecutions** by the National Prosecuting Authority of significant cases

of fraud and criminal investigation by the Directorate of Priority Crimes Investigations ("Hawks") and Commercial Crime Unit be noted.

2. Council note with concern the **incidents of fraud on overtime, vehicle abuse and absenteeism of staff that are continuing unabated which is indicative lack of supervision and management** of staff.
3. That the effort of Internal Audit unit to fight the scourge of fraud, corruption, theft, and other gross irregularities be supported.
4. That Council note that criminal and other irregular conduct in the organs of state and private bodies are detrimental to good, effective, accountable and transparent governance and can endanger the economic stability of the Republic of South Africa and have the potential to cause social damage.
5. That Council should play a **vigorous oversight on disciplinary cases and recovery processes of losses incurred by the Municipality** during the commission of misconduct or a criminal act by employees and service providers to ensure that the City Manager implements the resolutions emanating from forensic investigation reports.
6. That the City Manager should hold relevant management accountable for all serious transgressions identified in the forensic investigation reports, including but not limited to incidents of fraud on overtime, vehicle abuse and absenteeism of staff as these incidents are happening under their watch on daily basis.

149. **FORENSIC INVESTIGATION INTO ALLEGED CORRUPTION RELATED TO MUNICIPAL ASSETS (VEHICLES AND PLANT) IDENTIFIED FOR DISPOSAL THROUGH PUBLIC AUCTION BY MUNICIPAL OFFICIALS: INFRASTRUCTURE SERVICES: MECHANICAL WORKSHOPS (REF: 3.10.1.1)**

Report dated 28 May 2021 by the Chief Audit Executive (Ref:FI-12 2019/20).

(Page of 28 Confidential Circular No.58 of 2021)

It was

AGREED

That the City Manager, General Manager: Corporate Services and the Senior Manager: Legal Services, in conjunction with the Chief Audit Executive seek the relevant legal intervention for the timeous recovery of monies to Council as a result of theft and fraudulent cases arising from disciplinary matters from the associated pension / provident fund of the respective employees found guilty of such misconduct; and to ensure that Policies and Procedures are in place to synchronize all processes within Human Resources to Payroll to ensure that monies are recovered from the respective employee prior to resignation in an attempt to avoid facing the disciplinary charges.

It was thereafter

**AGREED TO RECOMMEND TO THE
FULL COUNCIL**

That disciplinary action We recommend that misconduct and financial misconduct be instituted against **Mr N W G Dlamini** and **Ms B L Mthethwa** within a period of three months in terms of Schedule 2 of the Municipal Systems Act, Act 32 of 2000 (as amended) read with Disciplinary Procedure Code Collective Agreement issued by South African Local Government Bargaining Council in that they breached:

1.1 **Breach of the Code of Conduct**

General conduct - A staff member of a municipality must at all times

- (c) loyally execute lawful policies of the municipal council;
- (d) perform the functions of office in good faith, diligently, honestly and in a transparent manner;
- (d) act in the best interest of the municipality and in such a way that the credibility and integrity of the municipality are not compromised.

1.2 **Commitment to serving the public interest**

(c) promote and seek to implement the basic values and principles of public administration described in section 195 (1) of the Constitution.

1.3 **Personal gain**

(b) Section 4 (1) (a) in that he used his position or privileges for private gain and/or to improperly benefit himself.

1.4 **Disciplinary Procedures Collective Agreement**

1.4.1 Conduct himself with honesty and integrity.

1.4.2 Any act of dishonesty.

1.5 **Breach of the Constitution of the Republic of South Africa**

1.5.1 Section 195 (1) of the Constitution of the Republic of South Africa of 1996 which states that public administration must be governed by the democratic values and principles enshrined in the Constitution, including the following principles:

- (a) high standard of professional ethics must be promoted and maintained.
- (b) efficient, economic and effective use of resources must be promoted.
- (c) public administration must be accountable.

1.6 **Financial Misconduct**

That financial misconduct be instituted against **Mr N W G Dlamini** and **Ms B L Mthethwa** within a period of three months in terms of Section 171 (3) (a) and (c) for breach of Section 78 of the MFMA in that they failed to carry out the delegated duty and they made and in doing so deliberately caused the municipality to incur losses.

1.7 **Disciplinary Board on Financial Misconduct**

1.7.1 Council should refer this report to the Disciplinary Board on Financial Misconduct within seven (7) days from the date of receipt as required by paragraph 5.3.1.6 of Municipal Regulations on Financial Misconduct Procedures and Criminal Proceedings.

1.7.2 The City Manager should report to the Audit Committee on quarterly basis on the progress on disciplinary proceedings against the named official and other cases reported previously where they were officials implicated in our forensic investigation reports.

1.8 **Recovery of the Fruitless and Wasteful Expenditure or Losses**

1.8.1 The Accounting Officer should institute recovery processes against **Mr N W G Dlamini to recover an amount of R 165 000.00 which is total loss (book value costs) of the TLB NPC862 (R95 000.00), Bobcat NPC857 (R45 000.00) and Isuzu Bakkie NPC610 (R25 000.00)** to Msunduzi Municipality.

1.8.2 The Accounting Officer should submit progress report on the recovery process instituted to the Audit Committee on quarterly basis.

1.9 **Criminal Investigation and Prosecution**

1.9.1 The matter was reported to **South African Police Services at Mountain Rise Police Station** per **CAS No.330/10/2020 for theft of a Bell TLB NPC862 and was allocated to D/S Ngcobo** FOR necessary criminal investigation and prosecution. However, due to the fact that we have established this is not pure theft but is corruption, the docket will be closed and a new case registered as corruption and be investigated by Anti-Corruption Task Team under the Directorate of Priority Crimes Investigation.

150. **UPDATE BY THE CHIEF AUDIT EXECUTIVE ON THE PROCESS AND PROGRESS OF THE APPOINTMENT OF ANOTHER AUDIT COMMITTEE MEMBER AND THE APPOINTMENT OF A CHAIRPERSON FOR THE AUDIT COMMITTEE**

(Item 27 on agenda)

The Chief Audit Executive advised the Committee that a report on the Appointment of a new Audit Committee member and the Appointment of a Chairperson for the Audit Committee had been submitted for the Full Council meeting to be held on Wednesday, 30 June 2021. The Chief Audit Executive undertook to notify the Committee on the new appointments as soon as they were approved by the Council.

NOTED.

CHAPTER 7: ANNUAL FINANCIAL STATEMENTS 20/21 FINANCIAL YEAR